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Waco Case

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Waco is a delicate case, when contemplating ethical business decisions, one must

invariably consider the decision from a moral respect. While the morality of a

decision may not be the core issue for the business in question, the ramifications of issues in which ethics and morality collide can tip the scale of ethics in a situation. The ethical dilemma in the Waco case is whether or not to fire the entire team of engineers and the manager. On the Encyclopedia Britannica's website, Occam's Razor is a principle that simply states "plurality should not be posited without necessity". It lends itself to favor the simplest of theories, kind of like the modern K.I.S.S principle, you don't complicate what doesn't need complicating. For this situation, due to a lack of any solid proof, the simplest assumption is that there is deception among all parties. The manager may have mentioned the project, maybe even said it was important, but perhaps didn't push the issue. The Engineers may have known the project was important, it was eminent, but because of a lack of pressure from the manager, they dragged their feet on the project. Thinking in strictly ethical terms, as in a mindset that assess situations based on good and bad for the organization, the simplest thing to do would be to get rid of the entire team and start with a fresh one. There would be costs like those for finding and training replacements, but it would set a precedence of getting things done or getting fired. This course of action could set an example and motivate others to perform for fear of termination, which may increase performance in other plants as well as the one in which the employees in question would be terminated. While maybe the harshest decision, it also associates the least risk in keeping people who may act unethically. If someone is willing to lie to stay out of a little trouble, it isn't a stretch that the same person would lie in other instances for personal gain, like a situation where they rip the company off.

The best thing for the Saltz to do in this case, is to sit down and have a meeting with Barber, McCoy, Frank, and Gogan and get everyone on the same page. From

the case, all we know is of this one issue, there is no historical context from which to pass judgement, no background on anyone, and no other records to look through. For all we would know, Barber could have been telling McCoy, Frank, and Gogan to get on this project through email. It is also possible that the engineers really just didn't get the importance of the project. It could have been one of those they read about and forgot about after Barber dropped it. There are too many unknowns. For right now, simply getting everyone on the same page would be best. First objective should be to get the work done, weekly communication should be sent to Saltz until the project is complete. Saltz should reprimand Barber for not seeking assistance of formally reprimanding the team for not doing their jobs. Saltz should then speak to the engineering team to make it clear, when Barber looks good, they look good. When Barber looks bad, they look bad. Any punishment that befalls Barber will likely roll down the ladder to them. Don't blame them outright, just make it clear it is a team environment. When the project is done, it might be good to do some team building, or maybe let the engineers work on something they are interested in. It is not advisable to be totally ethical in this instance, but it is worth considering when balancing between moral and ethical.

In this case, the biggest concern when acting strictly from an ethical standpoint would be a resulting lawsuit from firing the entire team. It boils down to whether or not these employees would have grounds for consideration in wrongful termination. According to Cornell's website, any termination that breaks a contract, implied or explicit, as well as termination for discrimination or retaliation can be considered wrongful under the law. This is where morality meets ethics. If the business wants to purge itself of untrustworthy employees, it would need to consider which option has the least cost associated, and would be the best long term, there is likely going to

be a tradeoff here. Waco, though it may not make sense when only considering ethics, should not terminate anyone. Simply firing people on a whim can actually have a lot of negative impact, and acting morally in some balance between employee happiness and ethically may be best in the long term.

Considerable study has been done on the effects of a positive work environment. Shawn Achor speaks a lot of positivity and how it can improve individual performance in learning and working environments in his Ted Talk video *The Happy Secret to Better Work*. Basically, your brain works better when you are in a positive state of mind. You have a greater capacity for learning and productivity, you have more motivation to achieve your goals, and you get more out of your work. Take this and apply it to Waco, if the Area Manager starts firing people when some failures arise, it becomes an environment where the dominate motivator to achievement is the fear of termination. In this environment, as soon as someone has given all they can they are tossed aside, and the effects on employees can be considerable. Morgan talks about this quite a bit in chapter 9, and refers to it as Miller's "orange peel' phenomena. There is even a case he discusses where the center of the story commits suicide once the company he dedicated thirty-four years of his life to terminates him, rather than allowing him to continue to serve in some lesser capacity for lower wages. If this is all employees have to look forward to, a positive environment is difficult to achieve. If you can't create a positive environment, you can't reap the benefits. Another video we've been given this semester from wimp.com discusses the benefits of allowing employees some sense of self direction. When companies focused on setting aside time for employees to work on objectives of their own choosing, performance throughout the other periods of work increased dramatically. Employees were happier and more motivated to get things

done that the organization found desirable. Even when self-directed work was allowed for a mere twenty-four hours out of the month, the overall moral and quantity of work completed increased.

Goldratt discusses this consideration for employees in his book It's Not Luck and calls this consideration a necessary condition for making money now and in the future. Even in manufacturing firms, you have to consider the people working for you. Treating people right means better retention, more loyalty to the business, and better long term productivity with reduced costs in staffing and training efforts. He doesn't go to the lengths of happiness Shawn talks about, but Goldratt makes it clear, simply laying off or firing employees, rather than working with them is a sure-fire way to a decline in the health of an organization. Waco should heed this if nothing else, though that isn't to say employees with bad habits and intentions shouldn't be terminated, termination just shouldn't be the first response.

While Waco wouldn't necessarily need to behave in the same manner, guarding against an oppressive environment, mostly where intellectual work is concerned, can actually be better for the business as a whole. The engineers at Waco knew the designs were needed, and the project was eminent, suppose they were more motivated. Perhaps this wouldn't have been an issue at all. In an environment where these intellectual workers can find some sense of satisfaction and happiness, perhaps there would have been enough motivation to get the designs done ahead of schedule. It is speculative, but studies on health that Morgan discusses on people who work in high stress environments, people you would think are not typically happy in their work, have a lot of health problems. Seems that finding some way to increase real positivity in the work place would be beneficial to employee

performance as well as health, which can be further beneficial when companies offer health benefits.

While the studies Shawn has done depict the ideal, the real world is rather different. There are benefits companies see in monitoring systems and terminating low performers. It makes sense from a business perspective to get rid of people who do not meet work goals, especially on projects. Scott Adams dedicates a couple of chapters to surviving in real world business. These strategies and attitudes seem to be the result of organizations paying more attention to the ethics of decisions while ignoring the people these decisions effect. Chapter 8 of *The Dilbert Principle* is dedicated to looking busy, and strategies for avoiding doing actual work. Having a bunch of people doing things to avoid work is, to say the least, bad. Nothing gets done and the company that is attempting to act in its best interest now has to deal with finding the root cause of a lack of work getting done, sort of like what Waco is dealing with. People play the blame game or simply try to appear so busy there is no way they can possibly get anything done. Issues in organizations that act as Adams describes go deeper than problems with individual employee performance.

Cash brings up how systems like the one Waco has used in its discovery of information can be used to benefit the company, while simultaneously legally infringe on the privacy of employees. Cash states that these sorts of technology change the way employees conduct work, and it changes the way employees are supervised and evaluated. With the Waco system, there is no privacy. If there is a one-on-one discussion, or any sort of discussion done in person, in the facility, it is safe to assume management knows about it. If not immediately, possibly in the future as that data is stored somewhere for later review. Having the ability to see where employees are at all times is something management at Waco might find

attractive. People behave differently when they know they are being watched. Simply knowing you are being watched can act as enough of a deterrent to steer people away from undesired behavior, like thievery. It also impacts the people who would act ethically anyway. An environment lacking in trust

Ultimately, what I have described above, the issues of the blame game, appearing busy, and lying could have all been negated if this design project had simply followed at least one of the rules Fried lays out in chapter 6. There was not documentation offered in the case to demonstrate that anything had been done. There was no initial meeting on record to initiate the design project, there is not schedule to complete the project or any sort of deliverables for review, nothing. There is also no map to get there, no documentation provided by the manager or drawn up by the engineers on how they expect to complete the task and when they realistically expect to have it done. There is simply an assignment, supposedly important, with no documentation or requirements to show for it. This project was never going to go anywhere until some plan was established and written down.

In the best interest of the company long term, a balance between moral and ethical consideration is best. Managers of businesses need to consider the needs of the business for long term profitability and growth, but not at the expense of employees. Managers must also be aware that thought happiness and positivity can have a good impact on employee performance, it is not of the utmost importance. The goal of any business is to make money now and in the future, it's the only way it survives, but consideration for employees is also important. The best course of action for Waco is to work with their team to get through this issue. If it happens again, look at getting rid of the problem, find who the issue person is and eliminate the issue. Termination after at least a chance is morally considerate, and would not

infringe on the consideration for employees, and would minimize the impact on

positivity and happiness for the rest of the employees.

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