

# Waco Case Analysis

TURNER BARNETT

CIS 410-50 CASE 7

## Introduction

In 1986, Waco Manufacturing, a leading supplier of custom-machined parts to the automotive industry, installed a security and information system in one of its manufacturing plants (Cash 225). With this new security and information system, employees were required to wear badges that tracked the location of each employee using transceivers planted every 25 feet of the manufacturing plant (Cash 225).

## Problem

The current problem that Waco Manufacturing faces occurs when area manager Monique Saltz meets with Monk Barber to discuss her discomfort with the fact that a highly anticipated design for composite-based products was behind on schedule. Barber responds and states that they had a meeting with three engineers assigned to the project, and when trying to contact them further about the project, they have not responded. Using the implemented transceiver system, it is proven that Barber has never been in the same room as the three engineers mentioned at the same time. Is it ethical or moral to use information gathered from the transceiver system to figure out if Barber was telling the truth?

## Mission

The mission of Waco Manufacturing is to make money now, as well as in the future, while considering customer satisfaction (Goldratt 1). Waco Manufacturing aims to be efficient and effective with their business processes.

## Stakeholders

### Waco Management:

The managers at Waco Manufacturing are major stakeholders, as they determine the workflow of the company and manage employee productivity on projects.

### Waco Employees:

Employees at Waco are a major stakeholder as they determine the productivity of the company.

### Waco Shareholders:

The stakeholders of Waco play a major role in the success of Waco, as they invest their money into Waco. If shareholders deem Waco not worthy of their investments any longer, they may pull out further investments.

## Alternatives

### Do Nothing:

With this alternative, Waco Manufacturing can choose to maintain the current transceiver employee tracking system. Waco Manufacturing will continue to track employee locations, which can be beneficial to the overall productivity of the company, as managers will be able to constantly keep track of their employees. This alternative may also be an invasion of employee privacy as they are always being monitored.

### Remove the transceiver system:

With this alternative, Waco Manufacturing can choose to remove the implemented transceiver system used to track the location of all employee within the plant. If Waco were to completely remove the implemented tracking system, all the money spent on it will be sunk costs and will not be recovered. This alternative ensures that employees can have privacy in the workplace, as they will not always be tracked by the transceiver system.

### Keep the Transceiver system and Implement Privacy Contract:

With this alternative, Waco Manufacturing can choose to keep the current implementation of the transceiver system used to track employees and require that all hired employees are required to sign a privacy agreement or contract, informing them of the transceiver system and that they will be monitored in the manufacturing plant. This alternative allows for employees to have the choice to agree to the terms and stay with Waco Manufacturing, or not agree and not work for Waco. This will allow for Waco to benefit from the usage of the transceiver system, while employees knowing that they are constantly being monitored.

## Effect of Alternatives on Stakeholders

### Do Nothing:

If Waco Manufacturing were to do nothing and keep the current system, management will still be able to monitor their employees and make decisions based on system feedback. Employees will lose their freedom of privacy, as they are constantly being monitored. Shareholders will be affected if this implemented system negatively affects the productivity and returns of the company.

### Remove the transceiver system:

If Waco Manufacturing were to remove the transceiver system, management will lack the ability to monitor their employees and make decisions based on system feedback. Employees will gain freedom of privacy, as they will not be constantly monitored. Shareholders will be affected if this removal negatively affects the productivity and returns of the company.

### Keep the Transceiver system and Implement Privacy Contract:

If Waco Manufacturing were to keep the current system and implement a privacy contract, management will still be able to monitor their employees and make decisions based on system feedback. Employees will be more aware of the company monitoring them. Shareholders will be affected if this implemented system negatively affects the productivity and returns of the company.

### Best Alternative

The best alternative that the IRS can choose is to keep the transceiver system and implement some sort of privacy agreement that explains how each employee's location is being monitored to improve overall production. With this alternative, Waco Manufacturing will be able to maintain their current transceiver system and employees will be more aware of the fact that they are always being monitored in the manufacturing plant. This decision is ethical and moral, as the implemented system allows for the tracking of employees to be used to increase productivity. Employees can sign the privacy agreement and will know that their location is always being monitored.

If Waco Manufacturing were to remove the transceiver system, they would be putting all the money that they invested into the system to waste. This decision is the most moral for the company, as employees can have a sense of privacy in the workplace, as they are not always being monitored.

If Waco Manufacturing were to do nothing and keep the current system without implementing some sort of privacy agreement, they are invading the privacy of their employees. While it is not moral to monitor employees without their consent or knowledge, it is ethical for the company as it may allow for more profit for the company (Barker 7).

## Work Cited

Goldratt, E. M., and John L. Cox. *The Goal*. Gower Publishing Company, Limited, 1993.

Cash. *Management of Information Systems*. IRS Case. 2019.

Barker. *Module Seven: IT, Motivation and Jobs*. Barker. 2019