

Milkshake factory case study

[Business](#), [Management](#)



The story of George Stein exposes the dynamics that drive the night shift at Eastern Dairy's milkshake factory. George was excited to join the dairy's unionized workforce because its contributions-to-inducements balance was so favorable.

As soon as he crossed the functional boundary into the organization, more specific features of George's work group became apparent. First, there was no manager to speak of supervising the night shift. Second, horseplay was the workgroup norm, considered a natural and necessary complement to the hard work the team did every night. Although the management likely excused this as peripheral role behavior, it was relevant and desirable to the members of the night shift itself because it allowed them to cultivate camaraderie and maintain morale, giving them motivation to perform as well as participate. Management's only expressed expectations were that the night shift complete the set of production orders they were given each night and that the equipment was spotlessly clean by 7 a.

m. As long as these tasks were accomplished, the night shift was left to self-regulate. The night shift constitutes its own subculture within Eastern Dairy, and the special conditions that govern that workgroup make it discernibly different from the mainstream organizational culture. The absence of a formal manager to indoctrinate employees into organizational values such as quality management has allowed a different set of values and basic assumptions to emerge among the members of the night shift than might be held by the organization as a whole.

For example, they share an implicit assumption that, where there is a conflict between workers' best interests and quality control, the workers should win out. From a differentiation perspective, we can predict that the night shift's internal consensus on this point is likely to be at odds with that of the managerial subculture. [1] If the company has the goal of total quality control, it has not taken the steps necessary to spread that philosophy throughout its ranks.

Rather than sharing management's presumed focus on the customer, the night shift is focused on doing their job quickly enough to get out of work on time. Since they have not received explicit training or communication about quality control issues, it is reasonable that they retain the view that some level of defects in the manufacturing process is normal and acceptable. If we are willing to dismiss the quality control aspects of the production line blockage issue, there remains the ethical question of what is the right way to deal with the problem. If George removes the filters as instructed, the 500 gallons of milkshake destined for public consumption will be contaminated with maggots. If he doesn't, attempting instead to clear the filters every time one clogs, the production run will take forever, meaning everyone will have to stay late, and the equipment will not be clean in time for the start of the day shift. If the crew discards the entire contaminated batch and restarts the production run from scratch, clean-up will still be delayed to some extent, plus the company will have to waste 500 gallons of milkshake mix. The instructions management (to our knowledge) has provided to Paul indicate that it prioritizes timely completion of the production orders and subsequent clean-up over things like purity of the product. Additionally, Paul knows that,

due to pasteurization, the milkshakes will not hurt anyone, and due to homogenization, the extraneous matter probably won't even be noticed.

After weighing all of these points, Paul decides to remove the filters in order to process the milkshake mix, maggots and all. Whether this is an ethical solution to the blockage depends on the system of ethics used to judge it. Paul appears to be following utilitarian ethics in his decision, by which milkshake contamination is an undesired but acceptable outcome of the action of greatest net benefit to all involved. He is not ignoring the effect of this action on the prospective drinkers of the milkshakes; he just feels that they are not affected adversely enough (due to homogenization and pasteurization) to change the assessment of greatest net benefit. According to act utilitarianism (and potentially rule utilitarianism, if the rule agrees), Paul's decision is perfectly ethical. According to right-based ethics, however, he is acting unethically because allowing the contaminated milkshake to go to market interferes with the consumers' rights to make an informed decision about the products they purchase. Finally,[2] an ethical egoist would be split on the issue: If George were a individual egoist, he would remove the filters without hesitation because doing so will make his life easier, but if he were a universal egoist, he would refrain from sending the contaminated batch to market because he wouldn't like to be on the receiving end of that action.

[3] George's focus on others is apparent from the guilt he feels about the children who could find themselves drinking maggot-filled milkshakes because of his actions. Paul's order to remove the filters falls on the cusp of

George's zone of indifference, and he considers disobeying out of concern with the morality of the request. One reason for George's ambiguity is that he lacks the leadership defined by Mary Parker Follett. Paul may be the workgroup's informal leader, but he has no real authority over his colleagues. He may know the technical aspects of the job, but he does not see the "big picture," which includes the trust relationship between the dairy and its customers.

He does his best to solve problems, but he hasn't been given the resources to head them off before they occur. The solution he chooses for the blockage problem does not display the forethought of the ideal leader because it leaves the team open to potential repercussions from management and/or the public if the contamination is discovered. Nonetheless, Paul is George's most obvious role-sender because he has the most impact on George's daily work experience. Under the circumstances, Parker-Follett would like to see George try to influence Paul by suggesting a content innovation that miraculously solves their problem in an unforeseen way. In the end, it is not George's responsibility - or ultimately even Paul's - to solve the dilemma that confronts them. The management has not provided the night shift enough guidance to establish unequivocally what the organization considers the right way to proceed. The uncertainty the employees face in this situation is a good argument for formalized codes of ethics and quality control training. In the meantime, ethical relativism will prevail on the night shift: they will have to decide what is "right" based on what is best for everyone present.

————— [1] This assumes two things about the managerial subculture: a) it espouses a commitment to quality management, and b) its in-use values do not conflict with the espoused values. [2] Justice theories of ethics can be construed to agree with rights-based theory, but they deal to a greater degree with more over-arching questions of how society should be run. As such, justice ethics are the least applicable to this situation. [3] Of course, a person who sees the contamination as harmless could allow it to happen without violating the “ golden rule.

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