

# [Example of case study on quinte mri](https://assignbuster.com/example-of-case-study-on-quinte-mri/)

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1. Problem Statement
Quinte MRI Services is not able to fulfill the needs of its client BCMC Hospital. This is because the facility cannot perform two scans per hour, as it had promised and there is currently a 14 day backlog of patients who require MR scans. This has led to physicians referring their clients to Quinte’s competitors which could destroy its reputation and reduce its competitive advantage.
2. Background Facts
a. Company history
Quinte MRI was founded in 1998 by Doctor Syed Haider. The company has 5 facilities in St. Louis, Missouri, Quebec, Palmer, Missouri and the Cayman Islands while the company headquarters are based in Belleville.
b. Industry facts
The MR industry is still relatively small but it has a huge potential for growth. Between 1998 and 2001 the number of scanning sites had grown from 4490 to 5550, this shows that the industry is growing fast.
The industry comprises of scanning sites in hospitals and those that are private scanning clinics which offer their services to physicians and hospitals that do not have scanning equipment.
c. Key players

## Company leaders

Quinte’s chief Executive officer is Doctor Syed Haider who is also the founder.
Decision makers
These are the company’s business coordinators David Wright and Kevin Saskiw whose role is to give recommendations and draw up action plans.

## Competitors

Quinte’s competitors are other private MRI clinics and hospitals with MR equipment such as Creston Hospital which is in the same county, Adelaide, as BCMC.
3. Relevant Issues
a. What is the key decision/issue/challenge?
The most critical issue is how to increase the efficiency of the MR clinic without incurring significant costs. Currently the clinic has a backlog of 14 days, an overworked technologist, an angry radiologist, dissatisfied physicians and angry patients. The key challenge is making a decision that will make all stakeholders happy by increasing efficiency at an affordable cost to Quinte.
b. What other factors are relevant?

## Economic

Economically, Quinte has to make a decision that will increase its earnings without costing a lot of money to implement.
Competitive
The decisions made have to increase the competitive advantage of Quinte by making the number one choice for physicians and patients.

## Technological

The decisions have to be technologically advanced so as to be time and cost effective.
4. Alternatives

## What options are available?

(a)The first option is to purchase or lease another MR machine and employ another fulltime technologist.

## Advantages

This will clear the backlog of patients and also ease the pressure on the current technologist.
Quinte’s competitive advantage will increase as it will be able to serve more patients in a more efficient manner.
Disadvantages
This is a very expensive decision as the MR machines are very expensive and the new technologist will have to be paid a full salary plus benefits.
There will be a lot of idle time for the two machines owing to the seasonal nature of the physicians who refer the patients and thus both the new machine and technologist will not be fully utilized creating losses for the company.
(b) The second option is to hire an assistant for the current technologist on a full time basis. The assistant will be responsible for interviewing the patients, taking them to the changing room, escorting them out and taking the films to the radiologist.

## Advantages

This option is cheaper than the first one as the salary of an assistant is lower than that of a technologist and it does not require the acquisition of a new machine.
This option will increase the efficiency of the facility at a small fee because the other duties that the technologist has are the bottlenecks that are causing the backlog at Quinte. The technologist will now be able to fully focus on his work.

## Disadvantages

The assistant might end up being over worked and confused due to the multiple roles that he or she has to carry out.
c. How do we measure the impact of each option?

## Financial

For option a, it will cost $240, 000 for equipment, $ 50, 000 for building and $60, 000 for the technologist. This is a total of $ 350, 000.
For option b, it will cost $10 an hour for the assistant; this will amount to $1600 monthly for a 40 hour week and $19, 200 per annum.

## Market share

For option a, the facility should be able to cater for double the patients it is catering for now as it will have two machines and two technologists. This may however not be possible due to seasonality and competition from other facilities.

## For option b, the facility will be able to cater for an extra 50% of patients due to increased efficiency.

Competitive standing
Option a will greatly increase the competitive advantage of Quinte as it will have enough facilities and personnel to cater for the needs of the patients.
Option b will also increase the competitive advantage of Quinte due to increased efficiency but not to the same level as option a.