

# [Laboritorio de analysis argentina](https://assignbuster.com/laboritorio-de-analysis-argentina/)

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AKylie Conner Matt Scarola Spencer Muratides Mr. Cavallo, LAA has been growing rapidly over the past few years, and sample size has grown to an average of 5000 a day that need processing. Last Friday, July 8th, you expressed concerns about our central labs capacity issues and meeting demand. Some of our key success factors that give LAA a competitive edge are our commitment to 24-hour delivery performance standard, wide variety of test services, and superior test reliability.

In the following text, we have supplied you with a detailed analysis of our current demand, capacity, and the issues we are facing as a company. We have also provided suggestions to the problems. Analysis: In exhibit 1, we have broken down the activities at LAA and placed them into a flow chart. You can visually see where each process lies in the entire system. We have also listed major resources required at each process, labor. LAA’s central lab is worked 2 eight-hour shifts. Each fulltime employee works 8 hours per day on average. Going over 40 hours a week results in overtime.

Part-time employees work an average of 4 hours per day. 1. Sample Collection (Onsite, other labs LAA, external labs): 50 nurses 2. Processing: 2 fulltime employees and 2 part-time employees across 2 shifts. 3. Separation: 2 fulltime employees and 3 part-time employees. 4. Distribution: 1fulltime employees and 2 part-time employees across 2 shifts. 5. Testing: 180 fulltime employees and 15 part-time employees 6. Communication: 16 fulltime employees and 4 part-time employees, 10 per shift. 7. Storing and post test handling: 2 fulltime employees and 1 part-time across 2 shifts.

Please refer to the excel document in exhibit 2 to see a full breakdown of LAA’s capacity available at each process, as well as the minimum, average, and maximum demand at each stage. As you can see, at many processing steps, our capacity is not meeting demand. Suggestions Demand variability of the process seems to hinder overall production. Whenever LAA receives a demand greater than 4, 666, (the capacity of out bottleneck) we cannot process these orders in 24 hours, which is one of our key factors of success. These 4, 666 tests are lower than the average daily demand that LAA receives, thus creating a major supply constraint.

In order to relieve this constraint in the short run, we would suggest you limit the number of tests that are allowed to be tests at the central lab to 4, 666 tests and reallocate the excess tests to external LAA labs. For LAA lab operations to meet the average demand, we would suggest reallocating workers from the processes with excess capacity. Separation Solution: Take a part time employee from Distribution (4 hours) and move to separation. Distribution new capacity: 9230 Separation new capacity: 2660 Test Solution Take 2 full time employees from communication and put them into testing

Communication new capacity: 7680 Testing new capacity: 9096 \*We redirected labor from Communication and not Storage because the Storage only had 3 workers (2 Full time, 1 Part Time) and moving one of these full time workers prevented the Storage Department from meeting demand; whereas Communication had 20 workers (16 Full time, 4 Part Time) and can spare full time workers and still meet demand. Cost of reallocation solution: A reallocation of workers would mean increasing the training of these workers so that they could perform their new tasks, taking away time and resources.