

SUSTAINABILITY OF SUCCESS

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Dr. Vijay Sharma was thinking about the success he has achieved in placing his pathology laboratory as one of the leading laboratories of Delhi, India. About 16 years ago when he started his lab, with a mission to provide quality service to the patients, he never imagined that this commitment to quality can bring his lab to one of the top ones in the city. Today it is a reference pathology laboratory with an ISO 9002 certification. Installation of latest equipments have become the tradition of this lab. and Dr. Sharma is always on the lookout to have anything new which can improve the quality of reports. His reports are never questioned and are well accepted. There were no problems on the front of quality of reports and Dr. was very much satisfied in this regard. The financials of the organization were also very good. It was a cash rich organization paying good amount of money as income tax like an honest tax payer. The rush of patients was ever increasing and there were no issues pertaining to the amount of business being generated. Dr. Sharma was also quite satisfied with the performance of the staff.

A few years ago, Dr. Sharma had a problem that most his technicians used to take leave for about one month in a year as they belong to the Southern part of India. During that period Dr. Sharma had to face tough time due to shortage of trained staff. Dr. Sharma decided to introduce some innovative scheme which can dilute the charm of staying for longer periods in their respective home towns. Under the new scheme, an employee is entitled to three months salary as bonus provided that he/she has not taken any leave from the organisation. If one avails of one full month of leave then he/she is not entitled to this bonus. The bonus amount is reduced proportionately if the leave is less than one month, like if an employee takes leave for 10 days in a year then he/she is entitled for two months salary as bonus and if the leave taken is 20 days then the bonus amount is equivalent to one month salary. This scheme proved to be very successful. Immediately the leave taken by the people reduced drastically as the opportunity cost of the leave was very high. Suppose a person one day leave then he/she lost the day's salary as bonus. The employees were very happy initially but soon some of them started feeling that they were becoming too mechanized. Although the working hours were fixed and one day in a week i.e., Sunday was off for everybody. This however was not apparent but the problem remained embedded in the minds of the people.

The more apparent issues were related to the Information Technology revolution leading to global competition in almost every field and pathology being no exception. The expectations of the patients are also increasing. The facility of sending reports by fax was introduced a few years ago. Now the people expect that they should be available on the Net too. They also want that the distance between the patients' place and the lab. should be reduced. Some of the leading players have already opened many franchisee centres in the city and some other global players have also entered the race. Should there be franchisee centres of the lab. to collect samples or some other innovative tool should be utilised using IT? The major question was of decentralisation or centralisation. If franchisees are allowed to function then there must be a competent team of

experts at the site ensuring the right kind of quality, finding such quality oriented people is not an easy task. If they are only collection centres then every sample would have to come to the main lab. This would lead to centralisation. Should online pathology be introduced in a big way? These were some of the issues which were in the mind of Dr. Sharma when he was doing analysis of the past, present, and planning for the future. The biggest question is that whether his proven and successful way of doing things would ensure success in the future also or should there be new strategies to meet the challenges posed by the information age.

Questions

1. Identify the real issues involved in the case and if you would have been in the position of Dr. Sharma then what you would have done.
2. Assume that you are a HR Consultant and you have been requested to do a critical analysis of the HR policies and suggest improvements in the same.
3. Assume that you are an IT Consultant and you have appointed as a Consultant to suggest strategies which should be adopted by the lab. in the light of global competition.