

AHSPO 23RD Annual Conference 2011

Part 2 – it's about supply – heritage and embracing change

Breakout session requiring feedback and responses to the following questions

Where will we be in five years?

1. Where will the industry be in 5 years
2. What do we need from each other
3. What are the risks, dangers, pitfalls
4. How do we improve professional standing

Following feedback provided on butchers paper

Paper 1:

Recognize diversity of Supplier products

- Product evaluation at local level based in pareto principle 80/20
- Monopoly breeds monopolies
- Current hospital philosophy – Save Money NOW
- HPV needs to recognize individuality of Hospitals

5 years time: HPV model works

Recognize probable distributions centres
Technology increased – supplier hospitals
Environmental issues packaging etc

Needs for each other

Information – forecast usage
Reliable delivery

- Improve professional standing - AHSPO
Sharing knowledge and experience (Supply Depts & Suppliers)

How can I help you do your business better?

- Risks
- Monopoly (refer NSW model)
- Quality control down due to price emphasis
- Service levels reduced due to monopolies
- Loss of experienced managers – not coming up through the ranks
- Lack of knowledge re HPV functions & methodology

Paper 2

- E-commerce: more centralised stores, lean operations
- Partnerships – local relationships
- Reduced competition – multi listing improves industry, direct sourcing to china, private hospitals
- Rotation of staff HPV Hospitals

Paper 3

Outsourced

- Centralised purpose built – strategic alliance group
- Down sized
- Vendor managed inventory –VMI
- HPV ???

Paper 4

Collaboration – standardisation of processed

- Support – relationship building
- Lack of Experienced Support
- Centralised Supply – transport charges
- Expertise
- Lack of service

- User Effectiveness- lack Structure

Knowledge & service and continuing Education

- Market ourselves to management as a useful resource
- Strategic alliance

Danger risks Pitfalls

- Jobs
- Quality products
- Healthcare

Financial

- Viability Suppliers/health Services
- HPV disbanded / Out

Professional Standard

- Communication
- Cross pollination – diff industries

Paper 5

Where in 5 years

Systems integrated – consolidation of Supply functions

- Up and down procurement – jobs etc
- Change in skill sets/roles

Rationalisation of Suppliers

- Ecommerce capacity
- Will those without this technology service

Need for each other

- Alignment of common goals
- Sharing resources

- Value proposition
- Cost rationalisation

Paper 6

Where will the industry be in 5 years?

- More tenders/contract pricing
- Supply partnerships
- More value
- Keep the supply about the people
- Metro & regional partnerships – needs

What do we need from each other

- Open communication/trust
- Education support
- United
- United groups
- Information sharing
- Support industry groups – AHSPO

What are the risks, dangers, pitfalls?

- Long term sustainability
- Learn from interstate failures
- De-humanise technology
- Patient safety
- Lose our focus which are the patients
- OHS- Quality what is good for them
- Non-conforming products
- Lack of promotion – raise Supply profiles

How do we improve professional standing?

- Site Visits – HPV
- Relationship management at department Heals & 2IC level
- Strong relationship forums – AHSPO & HPV

Paper 7

Where will the industry be in 5 years

- Leaner, moving away from current structure – reduced people (NSW)
- Centralised
- Nationalised
- Service focus- patient outcomes – quality
- Standardisation of product choice
- Increased technology focus

What do we need from each other?

- Open book accounting for greater partnerships
- Communication
- Support
- Collaboration

What are the risks, dangers, pitfalls?

- Technology obsolescence
- Reduced supply base
- Monopolies
- Information sharing (confidentiality & competition)
- Collusion
- There's always a price to pay when you are paying on price

How do we improve professional standing?

- Info sharing/collaborative procurement
- Transparency of process, probity
- Professional development, people focus
- Relationship building
- Demonstrate our value

Paper 8

5 years

- More integration
- Increase budget pressures
- More centralised
- Mores products/innovation
- Focus on sustainability
- Recycling

Needs

- Communication
- Integrity
- Honesty
- Education
- Knowledge sharing

Risks

- Job losses
- Risk of consolidation/outsourcing
- No control
- Reactive not proactive
- Lack of competition/choice
- Lack of funding

Improve

- Networking
- Highlighting achievements
- Be valuable/dependable
- Raise profile internally

Paper 9

In 5 years time

- Reduced suppliers
- Automated, streamlined systems

- More transparency
- Supply chain reforms

What do we need

- Partnering
- Communication/information sharing
- Transparency
- Trust
- Co-operation

Risks dangers pitfalls

- Following other states models without review and evidence
- Reduce suppliers = reduce competition
- Danger/risk losing control
- Increase costs
- Stock outs and service deliverables

Improving professional standard

- Proactive
- Communicating effectively including executive
- KPIs= reporting and follow up
- Education

Paper 10

- Software online trading – automated transactions – paper free
- Suppliers more accountable
- Rationalization of suppliers
- Optimization of suppliers
- Expanded role of HPV
- NPC fully implemented
- Supplier accountability of waste
- Purchase and disposal (total cost)
- OZ made products

Paper 11

Communication

Collaboration

- Supply chain visibility
- Shared objectives
- Pricing versus quality testing
- Exchange of usage information

Raising profile

- Education – qualifications
- Communicate return on investments

Paper 12

Improve professional standards

- Elevation of profile
- Forums
- Networking
- Relationships – with sustainability friends

Paper 13

where will we be in

- Consolidation products
- Consolidation logistics
- Integrated technology
- Closer relationships with supplier, communicate
- Centralised warehousing
- Increase sustainability
 - Disposables
 - Lifecycle costs
 - Identify hidden package costs

Paper 14

What do we need from each other

- Communication – keep talking
- Flexibility to change
- AHSPO

RISKS/DANGERS/PITFALLS

- Staying still
- Stagnation
- Lack of communication