

IMPROVING EFFICIENCY WITH CENTRALIZED PROCUREMENT MANAGEMENT IN HOSPITALS

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EXTRACTION OF THE BODY OF HYPOTHESES

Central hypothesis:

The procurement management in hospitals remains a strategic and proactive function that needs a continuous improvement throughout each stage starting from the recognition of need to end with its fulfillment and by respecting essentially the five Rs of purchasing including the right quality of product, at the right time in the right quantity, from the right source and at the right price, all these contributing to increase efficiency and the patient satisfaction. By implementing SEAM methodology, the procurement service should be more efficient and profitable for the organization.

Table 1: Body of Hypotheses (version1)

Descriptive Hypotheses	Explicative Hypotheses	Prescriptive Hypotheses
<p><u>DH010:</u> Requests for products or services are covered with intricacy.</p>	<p><u>EH010:</u> The lack of budget is a key factor that influences the performance of the procurement service in all categories (medications, materials, services...)</p>	<p><u>PH010:</u> Establishing a strategic and unified plan for procurement management for the 3 hospitals including allocated financial resources for each department.</p>
<p><u>DH020:</u> Purchasers in each hospital are not applying same processes.</p>	<p><u>EH020:</u> The procurement and purchasing processes are quite imprecise. <u>EH021:</u> Procurement departements are unable to apply controllable and sustainable standard operating procedures.</p>	<p><u>PH020:</u> Generating new policies and procedures for procurement <u>PH021:</u> Applying these new procedures in a “decentralized synchronization” aligned with the general strategic</p>

		<p>plan</p> <p>PH022: Maintain efficient performance with specific management tools.</p>
<p>DH030: There are no clear rules for inventory control.</p>	<p>EH030: Indicators for inventory levels such as minimum and maximum quantities, order point and safety stock are not identified in all stores even the information system offers this feature but it is still unexploited.</p> <p>EH031: Purchasing actors are not trained to use these functions with Hospital Information System.</p>	<p>PH030: Training sessions for all purchaser actors concerning “inventory management” followed by identifying and entering these data into the Hospital Information System for each store.</p>
<p>DH040: Shortages when occurred can adversely affect the patient safety and create a high level of frustration for every purchasing actor.</p>	<p>EH040: There are variable contributing factors for shortages some are external: manufacturing difficulties, regulatory issues and others are internal: lack of funds, and inventory practices.</p> <p>EH041: There is lack of 3Cs (Communication-Coordination-Cooperation) between purchasing actors within the 3 hospitals to solve shortages when occurred.</p>	<p>PH040: Establishing a process for decision making in the management of shortages.</p> <p>PH041: Enhancing the communication between all mutual purchasing actors for example by regular meetings.</p>
<p>DH050: Lack of 3Cs between purchasing actors and other medical staff.</p>	<p>EH050: The poor communication between purchasing actors and all “requesters” impedes the workflow and affects the supply chain of products or services required for admitted patients.</p> <p>EH051: Poor communications are sometimes intentional when resulting from personnel conflicts.</p>	<p>PH050: Reinforcing 3Cs at all levels through regular meetings with a support of a set of strategic piloting indicators for every department.</p>

<p><u>DH060:</u> Lack of 3Cs between purchasing actors within the 3 hospitals.</p>	<p><u>EH060:</u> There is no sharing in knowledge between purchasing departments from all the 3 hospitals. <u>EH061:</u> Absence of a strategic plan for all procurement departments.</p>	<p><u>PH060:</u> Incorporating the procurement project into the Internal/External strategic Action Plan <u>PH061:</u> Enhancing regular meeting between three hospitals and Synchronization through scheduling priority action plans. <u>PH062:</u> Delegating a purchasing coordinator to manage and improve cooperation.</p>
<p><u>DH070:</u> The Hospital Information Systems is not adequately performed by all purchasing actors.</p>	<p><u>EH070:</u> There is a difference between purchasing actors when using the HIS in their work flow process. <u>EH071:</u> The quality of reports related to the performance of procurement service, depends on the appropriate data entries that are operated by users.</p>	<p><u>PH071:</u> Implementing a strategic plan for HIS users. <u>PH072:</u> The competency grid is a helpful management tool to explore the skill level and the need for training for each purchasing actor.</p>
<p><u>DH080:</u> Lack in the 3Cs between procurement department and suppliers.</p>	<p><u>EH080:</u> Bad communications with suppliers affects two main targets in purchasing: reduction of costs and the optimization of performance.</p>	<p><u>PH080:</u> Implementing a supplier relationship management strategy within the three hospitals. <u>PH081:</u> Improving the performance by negotiations.</p>