

**“Care to the core ” - A lean principle incorporated
Pharmacy inventory management system**



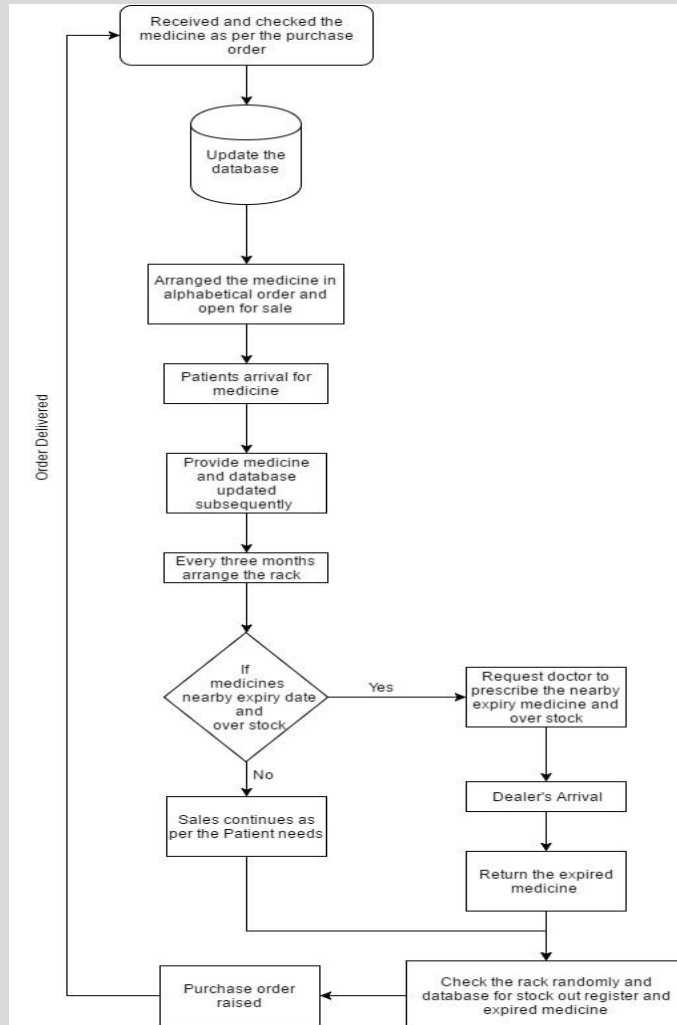
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Inventory control explains *how to optimize the available resources* with a view to reduce the material costs and achieving improved capital turn over.



- Challenging process
- Maintaining sufficient inventory levels
- Avoiding overstock
- Fulfilling customer demand
- Minimize inventory burden

Lean Six Sigma: DMAIC



Define

Define the problem.



Measure

Quantify the problem.



Analyze

Identify the cause of the problem.



Improve

Implement and verify the solution.



Control

Maintain the solution.

Excellent process improvement toll by *eliminating the defects in the processes*

- Up-to-date and upgraded inventory management for achieving reliable, consistent accuracy and preciseness for achieving *best practices* in hospitals and to alleviate the defects causing inefficient inventory system.
- Misaligned incentives and independent goals can disrupt the flow of the supply chain within the organizations. Any defects occurring during handling these processes may lead to inventory burden.

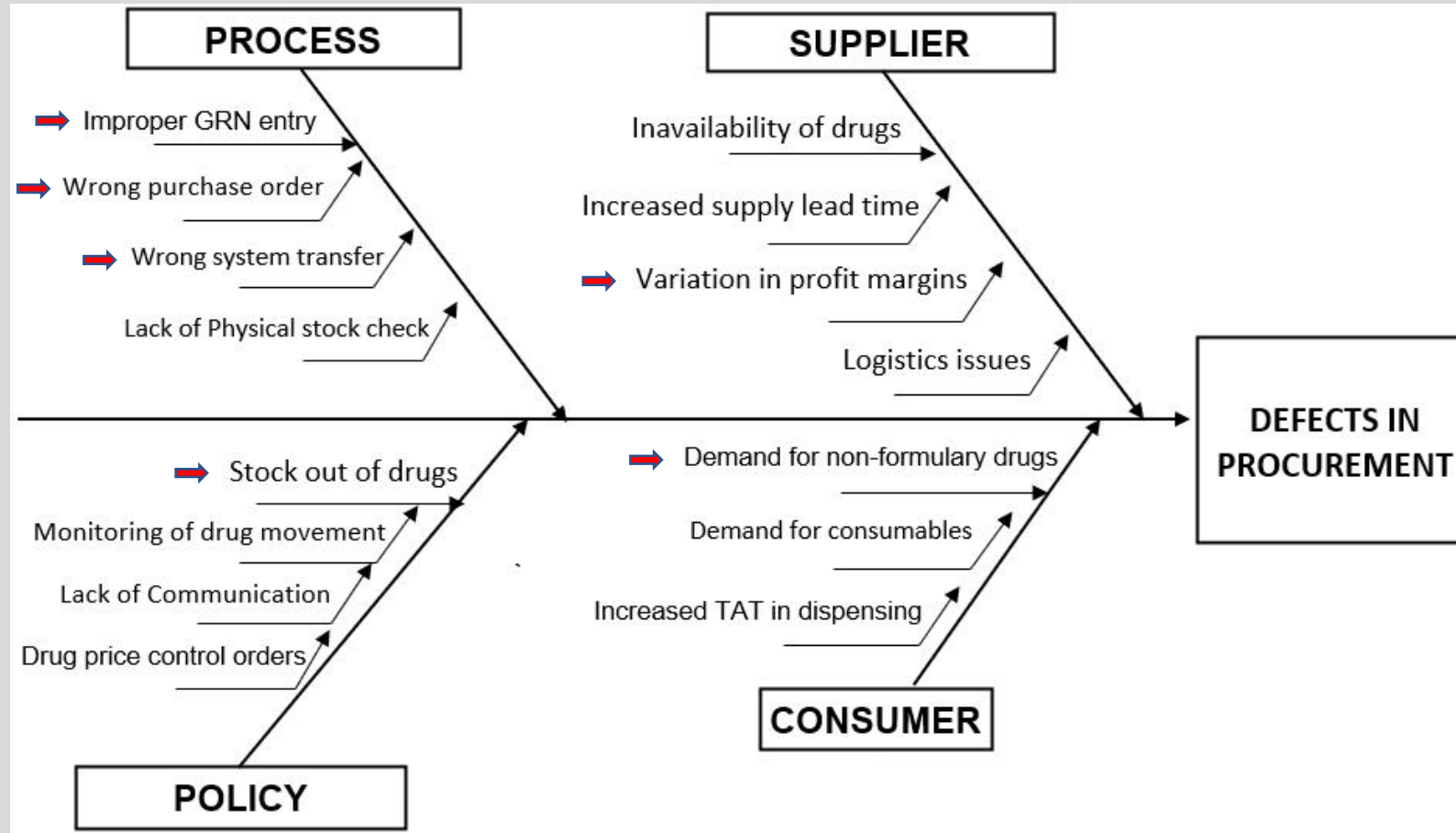
PROBLEM DIAGNOSIS

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Healthcare

Inventory associated facets	No of samples	No. of errors	DPU	DPMO	Six sigma level
Procurement facets	1200	354	0.059	59000	3.06
Distribution facets	2500	1465	0.244	244166	2.19
Infirmary unit facets	200	686	0.114	114333	2.70
Return medicine unit facets	300	206	0.015	15833	3.32

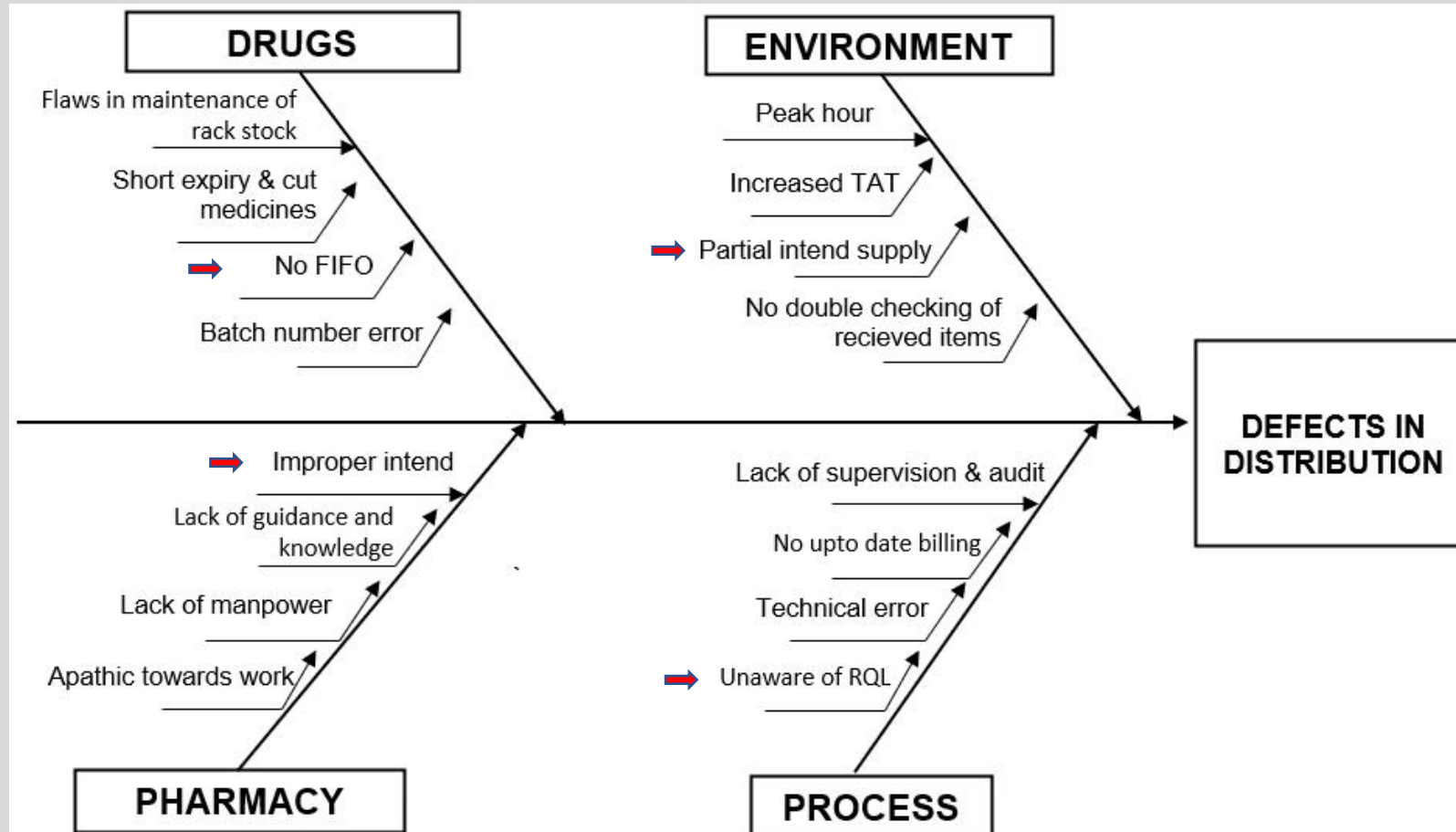
PROBLEM REMEDY

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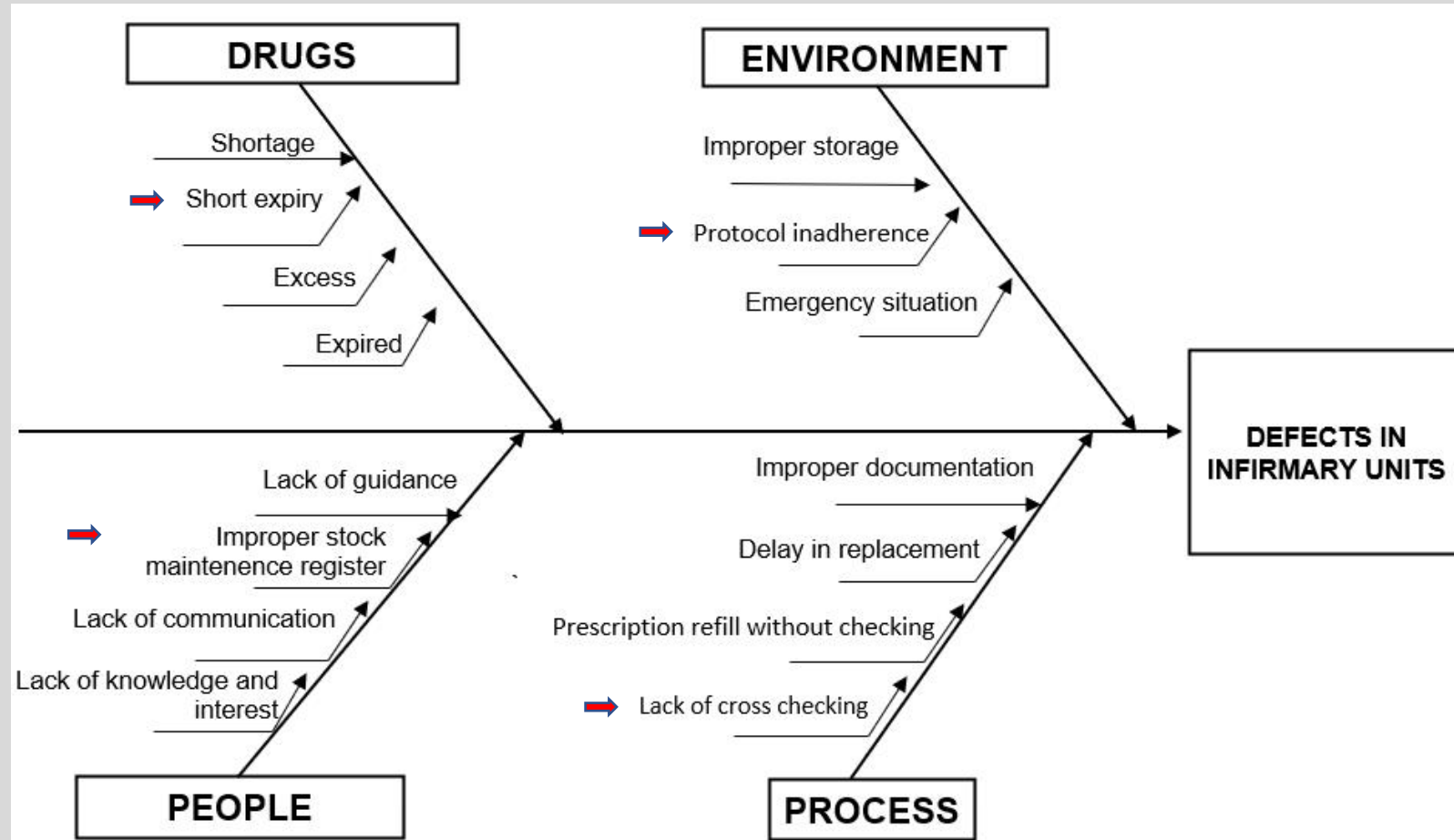
PROBLEM REMEDY

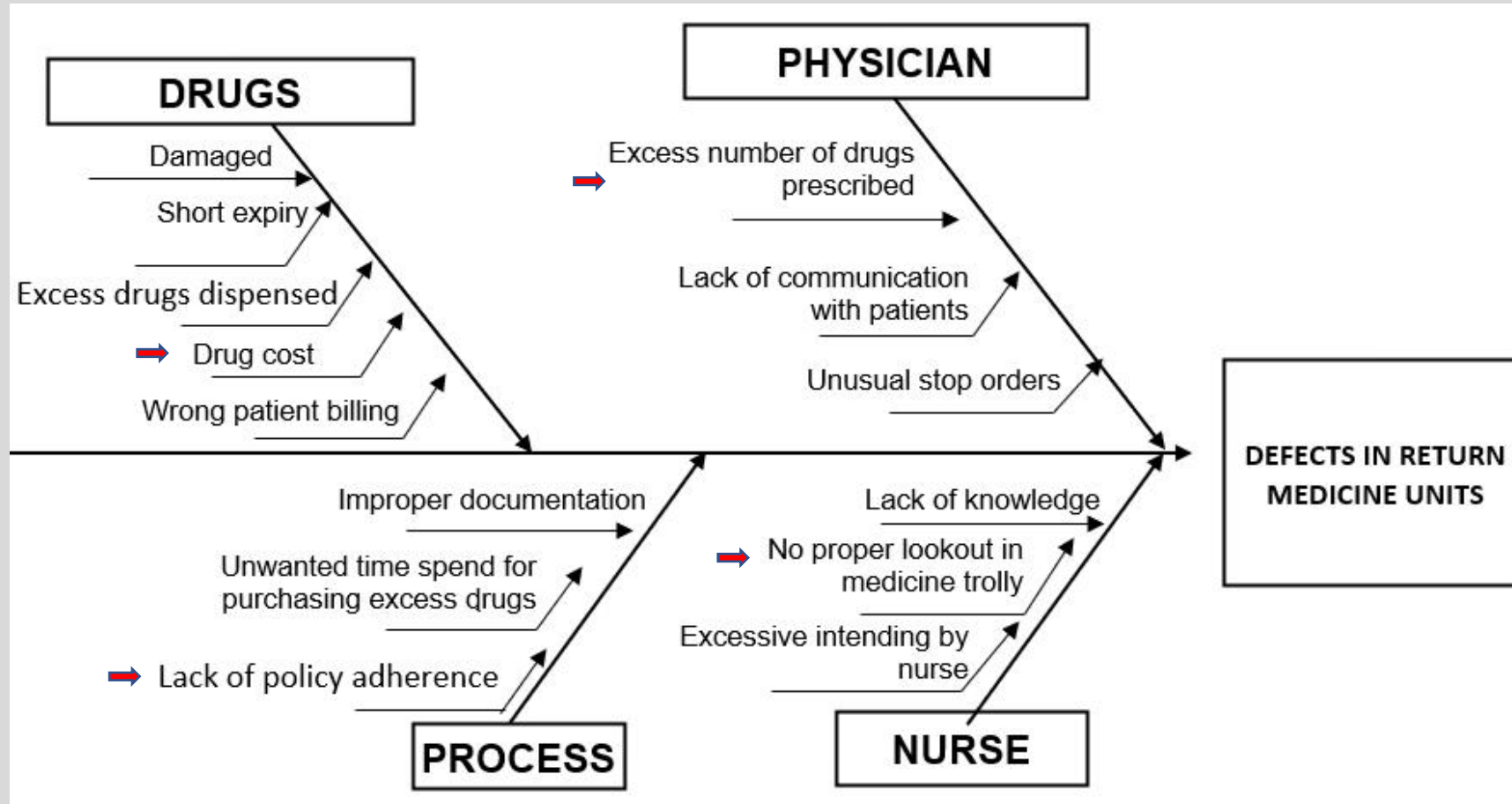
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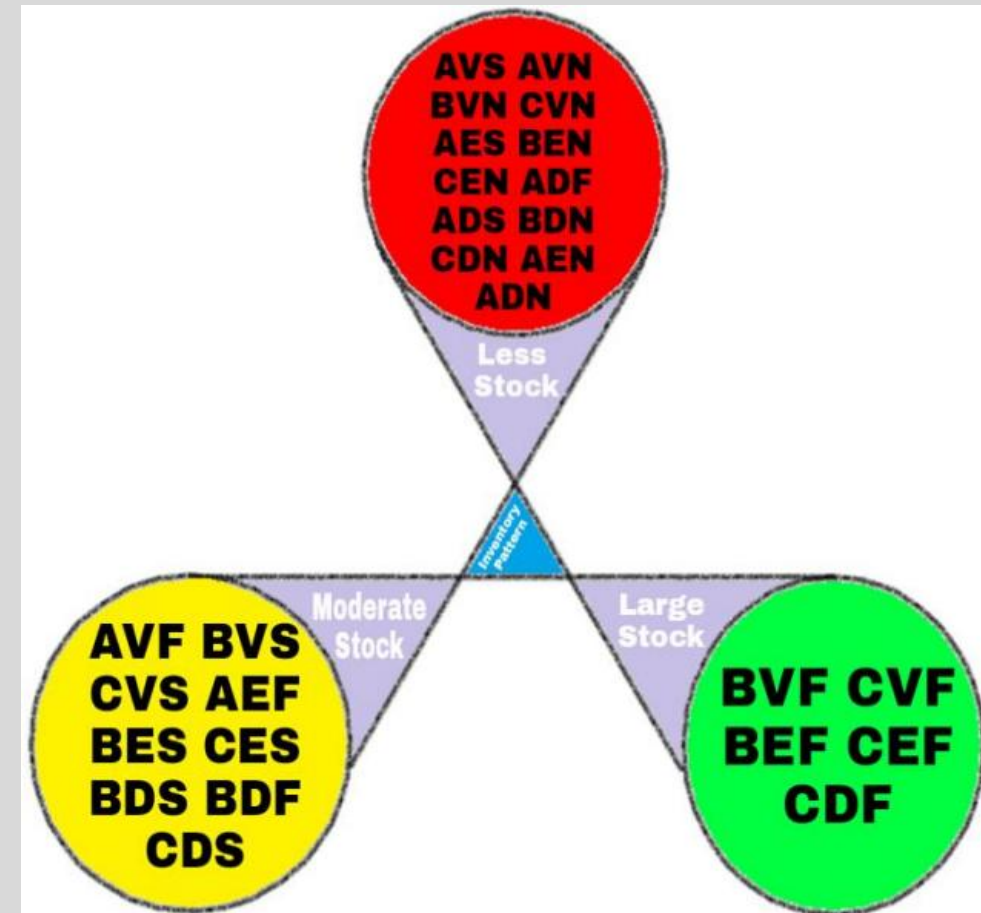
PROBLEM REMEDY

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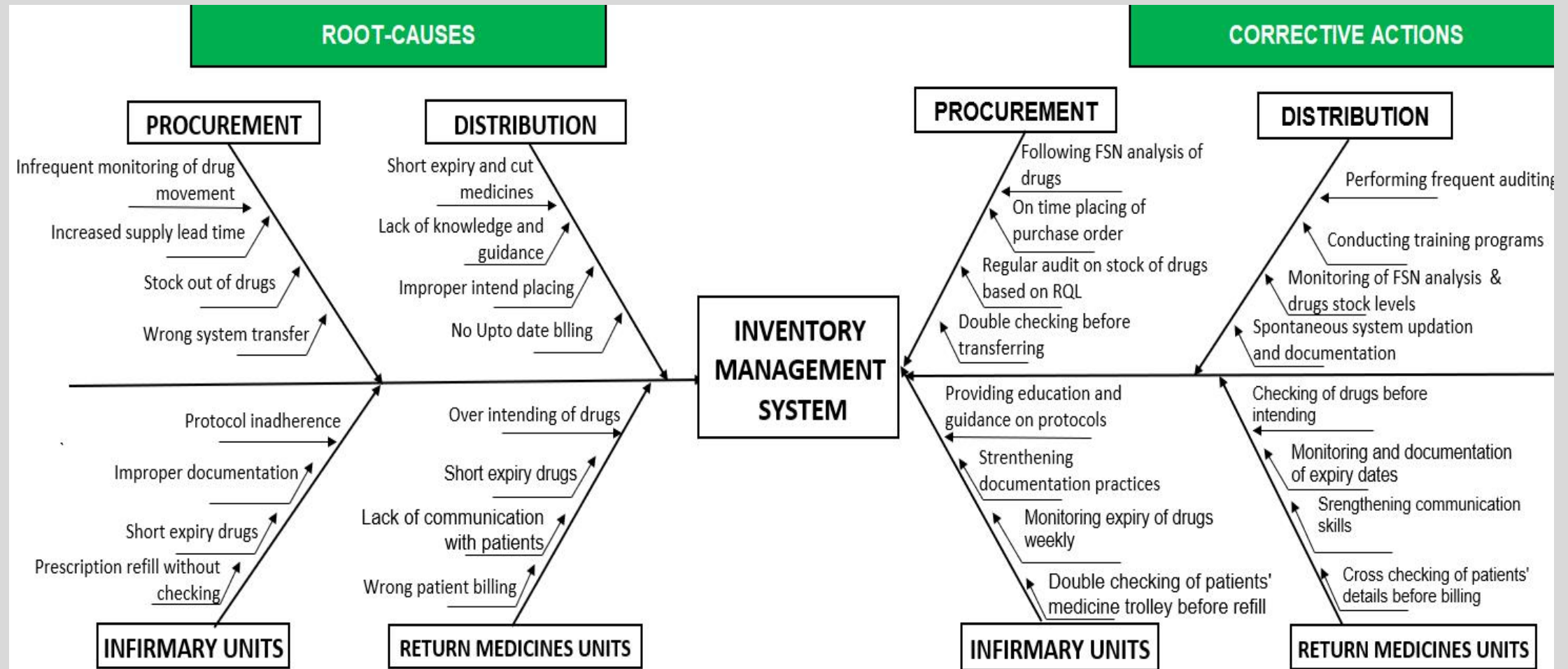
Deploys - ***KAIZEN method*** by which drugs are procured on the basis of their movement and utilization



**Supply lead time is to be considered always*

LOCKING THE IMPROVEMENT

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CLONING THE IMPROVEMENT

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Inventory associated facets	No of samples	No. of errors	DPU	DPMO	Six sigma level
Procurement facets	1200	118	0.019	19666	3.56
Distribution facets	2500	413	0.068	68833	2.98
Infirmary unit facets	200	385	0.064	64166	3.02
Return medicine unit facets	300	158	0.026	26333	3.44

- **Financial benefits by preventing indirect loss (0.07% to 0.02%)**
- **Maximized net profits by preventing direct loss**
- **Minimized total inventory investment (7.1%)**
- **Maintaining proper stock level**
- **Minimizing stock out of drugs**
- **Maintaining of re-order quantity level**
- **Minimized returns of short expiry drugs**
- **Reduction in inventory burden**
- **Proper maintenance of infirmary unit stocks**
- **Customer satisfaction on pharmacy services**

- **Attitude of healthcare staff towards inventory work**
- **Patients' clinical outcome by strengthening inventory levels**



Thank you