



Health Shared Services BC

A division of the Provincial Health Services Authority

Managing Supply Chain Performance in the Healthcare System

for

Ready at a Moment's Notice Conference

Van Horne Institute

University of Calgary

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***Province-wide Shared Services.
Better Value.***

**Jim Eckler, COO
Health Shared Services BC**

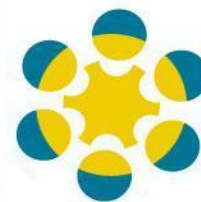
HSSBC serves all BC Health Authorities



A not-for-profit Shared Services organization created by and for BC's six health authorities to enhance value to the health system through the effective and efficient delivery of support services.



We operate six business streams ..



Health Authority

Business Streams	FHA	IHA	NHA	PHSA	VCH/PHC	VIHA
1. Accounts Receivable				☑	☑	
2. Payroll				☑	☑	
3. Records & Benefits				☑	☑	
4. Supply Chain <ul style="list-style-type: none"> ● Procurement ● Inventory & Warehousing 	☑	☑	☑	☑	☑	☑
5. Accounts Payable	☑	☑	☑	☑	☑	■
6. Technology Services <ul style="list-style-type: none"> ● Storage/servers ● Network/Voice services ● Architecture ● Security Desktop Management <ul style="list-style-type: none"> ● Workstation refresh ● Service desk ● Deskside support 	☑	■	■	☑	☑	■
	☑	☑	☑	☑	☑	☑

☑ Current Service ■ Future Service

HSSBC plays a major role in the BC healthcare system ...



- Managing the supply chain for 90 hospitals
- Supporting over 100,000 healthcare clinicians
- Sourcing \$2B of Rx and medical devices each year
- Leading the provincial drug shortage coordination response

An operation of this magnitude requires comprehensive performance management.

Why we measure?



- To control business operations
- To focus on key activities
- To identify variances that lead to better service and cost
- To communicate performance levels to clients

Effective Metrics are ...



- Aligned to the strategy
- Owned
- Few in Number
- Easy to Understand
- Balanced and Linked
- Relevant

Comprehensive Measurement must Balance Four Dimensions ...



1. Financial perspective: how do we look to our shareholders?
2. Customer perspective: how do we look to our customers?
3. Process perspective: in what processes should we excel to succeed?
4. Learning and innovation perspective: how will we sustain our ability to change and improve?

... a Balanced Scorecard

Key metrics to track ...



Financial	<ul style="list-style-type: none">▪ Reduced unit costs▪ Profit margins	<ul style="list-style-type: none">▪ Revenue Generation▪ Return on invested capital
Customer	<ul style="list-style-type: none">▪ Service satisfaction▪ Price (rating or benchmark)▪ Timeliness▪ Quality rating	<ul style="list-style-type: none">▪ Innovation▪ Flexibility
Internal	<ul style="list-style-type: none">▪ Product / service quality processes▪ Detailed cost analysis (breakdown)▪ Monitoring of activities▪ Product / service delivery issue resolution processes▪ Risk mitigation processes	<ul style="list-style-type: none">▪ Inventory▪ Delivery Punctuality▪ Transportation Efficiency▪ Waste reduction (reduced defects, failures)
Learning & Growth	<ul style="list-style-type: none">▪ Attracting and retaining quality employees▪ Training (skills and knowledge improvement)▪ Competency identification and development	<ul style="list-style-type: none">▪ Best practice sharing▪ Culture

Four keys to success ...



1. Metrics aligned to strategy
2. Each metric has an owner
3. Metrics are balanced and linked
4. Targets are achievable but reflect customer needs