

PROCUREMENT & LOGISTICS SERVICE

**ELECTRONIC MATERIALS MANAGEMENT IN THE NORTHERN IRELAND
HEALTH SERVICE**

ELECTRONIC MATERIALS MANAGEMENT (EMM)

Continuous Improvement with the Implementation of EMM into Trusts and Hospitals within the Northern Ireland Health and Social Services.



Background

Electronic Materials Management can be defined as “ **the electronic management and control of goods from acquisition to delivery at point of use.**”

Electronic refers to the scanning of products thereby eliminating the paper chase of requisition sheets.

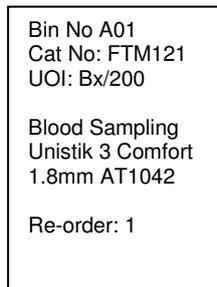
The continuous development of the system has assisted the supply management process, by enabling easy identification of products and demand, and allowing the development of more economically advantageous relationships with suppliers.

The philosophy behind the system is:

- To introduce a trained professional approach by taking the management of the supplies function under the wing of the Procurement & Logistics Service (PALS), thereby providing ownership of the whole process and a basis of accountability.
- To provide a customer based service
- To apply a systematic and disciplined framework for achieving and maintaining optimum level of stockholding
- To make appropriate use of equipment and new technology to establish and maintain full control over and access to materials used in patient care also
- Minimise storage requirements

EMM uses:

- IT to analyse department/ward needs and recommend stock level via Management Information reports.
- HDS (High Density Storage – space saving) units within a department/ward.
- Barcode labels to allow easy identification of products and scanning via handheld scanner allows efficient reorder of products.



Red & White sided
Barcode Label

Why EMM?

PriceWaterhouse Coopers carried out a report in 1998 examining the relationship between trusts and PALS.

In brief, Trusts and PALS should work together to implement a suitable practice of Materials Management at ward/department level (EMM)

- This practice would reduce local stock holding and release nursing/dept staff time, saving time and money.
- The previous system used had been manual and various problems occurred due to human error.
- An electronic system would provide a time saving solution to this problem.

Essential Features

Wards/Departments are kitted out with High Density Storage units (HDS). This becomes their main store for all Medical & surgical items with provision to record all stationery, kitchen domestic and bulk items.

Stock levels are assessed and agreed and enough space is allocated for each item. Each item is bar coded with a two-sided red and white label to allow easy identification and reordering. Information in respect of product code, unit size, target stock level and re-order quantity are encoded in a bar code label fixed to the shelving.

This store will hold a maximum level of 24 days stock per item split in two in trays/shelves. This is called a BIN LOCATION.

12 days stock in the front compartment is used first, then the label is turned to red and the store is scanned on a set day each week using a hand held scanner.

The next set of 12-day stock will now be brought to the front compartment and used.

The scanner allows the order of the products to be electronically downloaded to PALS warehouses, allowing a shorter lead-time on delivery of new stock on a set day, three days after the scan. Products are placed in the back compartment of the respective replenished bin by department staff and the label is turned to show white.

Benefits

The introduction of EMM

- Has changed Materials Management from being a labour intensive exercise to one that has reduced clinical staff time to allow greater resource to “front line” patient care.
- Order process time at trusts has been greatly reduced, emergency orders and errors virtually eliminated; goods are supplied to respond to actual use in clinical areas.
- The system is customised, managed and maintained for the requirement of each area eliminating redundant and obsolete stock, therefore, removing “waste” or incorrect use also encouraging stock rotation.
- Provides accurate stock ordering and reduces the chances of overstocking. It has been estimated that a clinical store such as a Theatre storeroom will generate an initial £5000-£7000 stock reduction with lower levels for non-clinical areas.
- Has allowed each store to be allocated a unique code for costing purposes, which facilitates the analysis of stock costs and levels that are reviewed regularly.
- Research conducted by PALS has highlighted that EMM shelving maximises space up to 9 times the normal store area. Storerooms are well maintained, clutter-free and tidy.
- Staff using the system have expressed their appreciation particularly with reference to time saved and the streamlined simplified process which has enabled them to be assured of a more efficient stock controlled store
- Ward/Department staff are aware of when supplies staff will be on site and can direct any general procurement queries to these staff, which is an added-value benefit.

The Materials Management system focuses entirely upon stock items (i.e. those items held in the PALS Warehouses in Belfast and Campsie). These items are the commonly used goods regionally and have been ordered from a number of suppliers at the best available price normally by contractual arrangements. This offers the Trust the best economical price for these goods and through effective economies of scale ensures that the whole of the HPSS benefit.

EMM is the utilisation of a simple efficient and effective stock control system that clearly identifies roles and responsibilities and saves professional time. Space within clinical and non-clinical areas has been maximised to full potential, overstocking eliminated and costs reduced.

[Click here for application ideas](#)

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Last updated: April 2010

EMM Hidden / Unrealised Benefits

Prior to Implementation

- Produce and analyse Stock Usage Reports to assess the items to be included and the corresponding order quantities
- Allows identification of slow moving items, seasonal stock e.g. diaries, one-off orders such as waste paper bins, soap dispensers and items that the ward no longer use.
- Allows ward staff to identify products that the ward no longer use but are perhaps still being ordered. Staff ordering stock often “repeat order” i.e. they look back at what has been ordered previously and order it again.
- Allows identification of duplicate items being ordered from different ranges, e.g. same size of suction catheters or hypodermic needles but from different suppliers. This allows staff to decide which range the ward will use.
- The stock usage report allows wards to see in black and white how much they spend on their stock each year. This can encourage them to reduce wastage and use their stock more efficiently.
- It also allows EMM staff to suggest cheaper alternative / substitute products, e.g. some BD needles are almost three times the price of Monoject needles.
- Some items in SDC warehouse can be issued in different order quantities, e.g. Tempadot thermometers in bx/2500 or in bx/100. The member of the EMM team meeting with the ward representative can advise staff on more efficient order quantities when available.
- By reviewing not only the stock levels but the type of stock to be stored allows the EMM team to advise on the best combination of high density storage and shelving units, thus ensuring the system is used to its maximum effectiveness.

During Implementation

- EMM staff on site to configure stores, i.e. physically put stock away, bin locate stock, label stores and train staff.
- When configuring stores items are often discovered that were perhaps not on the original stock list but are available from SDC. The ward may have been ordering these items via non-stock or may have acquired them from another ward. The EMM

staff can identify these items and liaise with ward rep to assess usage and add the item(s) to the EMM system.

- EMM staff often come across stock that has been “accidentally” ordered. This often happens because staff look for an item in the stock catalogue and order something that they “think” is right. This allows such products to be identified and not put into the EMM store.
- EMM staff liaise with users throughout the implementation process to configure each store to suit the needs of individual wards. This ensures high use items are placed in the optimum locations, e.g. close to the entrance to the store and at a convenient level, this basically means that the most important items are stored in the most appropriate and convenient locations.
- While working throughout the province the EMM staff are able to identify items that are non-stock but are actually common use in several hospitals. As a result ward sisters / managers have been able to request for additional items to be added to stock, for example product FDD0685 – non-rebreathing oxygen masks.

After Implementation

- Through working in the wards the EMM team will have built up a working relationship with the ward staff. This helps when staff have any queries or problems with the system, they find it easier to contact the EMM team as they know who they are talking to and that they are approachable etc.
- Similarly, the system allows the ward staff to meet and build a rapport with the stores staff responsible for scanning and delivering their goods each week. Ward staff find it beneficial to have a regular point of contact to discuss any queries or concerns they may have regarding stock.
- Through EMM the ward will continuously order the correct item from the correct range. For example, there are four different ranges of size 10 suction catheters available from the warehouse, staff ordering do not necessarily know the difference or which one the ward prefer to use, EMM ensures they continually use the same items from the same range, i.e. the items they selected at the beginning.
- The system is easy to use as items have a fixed location and similar products are placed together. There is also a mapping system provided to make locating products easier. Therefore it is a much more efficient system and can save valuable time in trying to locate products, especially in an emergency situation.