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How to pick the right inventory management system for an NHS trust

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The publication of the latest NHS e-procurement strategy earlier this year was a step forward for the healthcare sector. With the government committed to making savings of £1.5 billion to £2 billion on procurement by the end of 2015/16, it will help change the procurement landscape.

But despite more reports, and more requirements placed upon trusts, there remains a lack of help available or practical guidance for them to really understand what they should be looking for in an inventory management solution. As some trusts are being approached with the offer of free trials of systems that will fall short of their needs, making the right system choice, knowing what to look out for and how to avoid the pitfalls of selecting an inferior system can prove complex.

Commercial organisations understand the cost penalties to their profitability of not balancing inventory, and purchasing to demand, and this knowledge needs to be transferred to trusts. From retailers to manufacturers, the importance of the supply chain and inventory management score for their operations, with significant profitability, and yet to date we have not seen this translated to the NHS.

The e-procurement strategy is a good start, but has opened the doors allowing many suppliers to pass systems that at best are electronic order tools based on old technology and offer limited functionality.

There are a number of considerations trusts need to make when selecting a system:

- Don't select a solution that is apparently free and tied to a supplier; it's a short-term fix to a long term issue.
- Understand the issues that you trying to resolve, other than just the e-procurement compliance.
- Invest for the long term. What do you really need in an inventory management solution, now and in the future?
- What key functionality is required?
- Is the solution flexible enough to grow and change with the organisation, or will you need to implement this solution or another later?
- How old is the technology, and how long will it last?
- Will the solution offer one source of complete data? Will you have all the key reports you need?
- Will it deal with all the complexities of your organisation and supply chain?
- Will it be able to adopt changes in data-capture technology?
- Is it regulatory compliant, for example with GS1 standards?
- Ensure you commit resources to the project. Don't look for a quick fix because it sounds as if you won't need to spend time on it.
- Make sure you get engagement in the selection from all stakeholders.

▀ *Nicola Hall is managing director at Ingenica Solutions*