Considerations for Supply Chain
Visibility Software

Part One:
A Little Background

IDN's can't be resilient if they don't have visibility. But is software the right way to get it?

In 2018, healthcare industry backorders were at an all-time high, and the resilient supply chain was a hot topic at conferences everywhere. Then along came Covid and a resultant supply chain crisis with no end in sight. Clearly, we must solve the supply chain problem if we don't want patient care to suffer.

It's a widely accepted fact that without supply chain visibility and all it encompasses—data, real-time tracking, historical analysis, KPIs and insights—an organization won't know where to start and can't hope to achieve resiliency. Some of the country's largest IDNs have budgets that have allowed them to begin building supply chain visibility point solutions. But for others, the investment in technology resources would be yet one more burden on an already over-taxed Information Technology team. Software as a Service (SaaS) Supply Chain Visibility Software might be the answer.

While IDNs are ready for a solution they can purchase, it's time to ask if the software currently available is ready for the special requirements of the IDN.

Research into the top players indicates that solutions are still being heavily developed for the markets in which they got their start (e.g. rail and truck yard visibility, intermodal tracking, and container shipping—not the Land Use Model (LUM) modes that IDNs care about.

Questions like the ones below can help you see your organization clearly and assess if supply chain visibility software is right for you:

☐ With multiple solutions to choose from, how do you know which— if any—will meet your needs?

☐ What, specifically, should you be looking for?

☐ Were the solutions you're considering created for IDN use?

☐ Was the solution created with your specific end users in mind?

Crucial Things to Look for: IDN Focus, Features and Roadmap

One of the key reasons to BUY vs. BUILD is to obtain the solution that delivers best practices, the necessary components, and the "know how" to solve YOUR issues.

The IDN is where the rubber meets the road in terms of patient care. Many solutions are entering this space from a manufacturing perspective. Features, insights and KPIs built into the system are there to ensure solid revenue from a supply chain that sells product.

Conversely, your consideration is the incoming product you need to provide patient care. Your top consideration is to ensure the solution measures KPIs critical to your supply chain, including supplier performance (lead times, fulfillment rates, delays, disruptions, and backorders). As previously stated, the healthcare/IDN market is presently underserved, so it is unlikely that any solution is yet mature enough to meet all your needs. It's up to you to ensure the solution you choose has a thoughtful product IDN-focused roadmap that will encompass the issues your supply chain is most likely to face.

It's difficult, at best, for a multi-disciplinary (multi-industry) solution to bring expertise to any one given field.

These questions can help you determine which solution might be right for you:

☐ Has the solution been created specifically for IDN use?

☐ What portion of the solution's R&D is dedicated to working with IDNs to innovate?

☐ Does the solution have a history of supporting IDNs?

☐ Has the solution been created with your end users in mind?

Part Three:
Trading Partner Collaboration

In order to achieve a higher maturity level, you must ensure there is existing connectivity and history with trading partners, as well as willingness and ability to expand capabilities with partners in the future.

Knowledge of your critical care suppliers' capabilities and limitations is paramount in this consideration. You can't expect all your trading partners to be at the same maturity, and you should assume significant variances in their capabilities.

To this end, key questions to ask include:

☐ Is the solution integration ready?

☐ Does it create options to make it easy for your trading partners to participate, share data, and collaborate?

Of course, there will always be some skepticism around open-data sharing and some suppliers may express hesitancy to provide insight into delays and issues they're experiencing. They might fear that sharing will cause you to take your business elsewhere or enable the competition to utilize the information to slip in and steal your business. Be ready to assure your suppliers that collaboration is in their best interest to ensure the longevity of your relationship. After all, without product there is no mission and it's only through visibility that you can ensure exceptional patient care.

End-User Reach and Value

A robust supply chain visibility platform will connect with and provide value to multiple user roles across your IDN.

Here are some questions to ask regarding each of these user roles:

Purchasing:

☐ Does the solution track the suppliers and products your organization cares about?

☐ Does the solution work with the modes of transportation that make up a majority of your critical inbound product?

☐ Does the solution inform the purchaser of supplier and carrier delays, quantities to be delivered, short-fills, and backorders?

☐ Does the solution allow your purchasing team to see product in transit using a familiar identifier like a purchase order?

☐ Does the solution provide decision support to your team's purchasing decisions and can it prevent them from making choices regarding disrupted product?

Procurement:

☐ Does the solution arm your team with the knowledge necessary to inform contracting, backup contracts, service level agreements, distribution choices, and safety stock levels?

☐ Can you look back in time to see the performance of a supplier and the impacts of long lead times, delays, short fills, choice of carrier and supplier location, and be able to assess hidden fees?

☐ Does the solution historically analyze fluctuations like weather disruptions, backorders, lead times and carrier disruptions that would indicate choice of supplier or supplier location?

☐ Does the solution help you map your tier-1 supply chain?

Dock and Internal Delivery:

☐ Does the solution adequately support the prioritization of incoming product?

☐ Does the solution answer the incoming questions of anxious clinicians and even inform required delivery staffing levels by assessing inbound packages?

Clinicians and Point-of-Care Workers Waiting on Critical Items:

☐ Is there an easy way for clinicians to track the critical items they care about?

☐ Does the solution eliminate valuable time wasted as clinicians call internally to chase down product?

☐ Will clinicians be informed of on-time and late arrivals so they can better plan critical patient-care services.

☐ Will the solution make clinicians and point-of-care workers *happier*?

Multiple Roles:

With many points of decision across many roles, visibility insights must be consumable by multiple roles for a solution to be effective.

☐ Is the solution easily accessible to all of the aforementioned roles in your organization?

☐ Does a user of the solution have to be tethered to a laptop or desktop computer or is it mobile ready?

☐ Does the solution carry a significant per-user licensing fee or require access through an ERP that might not be available to all end-users?

☐ Is it easy to be alerted to and filter down to just the information each individual cares about?

☐ Are the KPIs and tools focused on the things each individual cares about as well as the things that will make them successful in their role?

Part Five:
Putting it All Together

In the first four parts of this checklist, we gave you a number of questions to ask yourself and a lot to think about.

Now that you've processed the information, if you believe Supply Chain Visibility Software is a good solution for your organization, we invite you to consider VPL as your Supply Chain Innovation Partner.

Our core business started with inbound direct-to-IDN product logistics management and expanded to cover provider-initiated movement (carrier, courier, LTL). We are now also addressing the needs of IDN-operated specialty pharmacy.

This vantage point allows us to see all of the direct-to-IDN purchases, products, origins and movements we aggregate. This provides us with a unique "live" view that includes tracking, backorders, and carrier and weather disruptions, which in turn enables us to evaluate historical supplier performance.

Prior to creating our visibility questionnaire, we surveyed numerous IDNs and discovered they are spending valuable hours of time on the phone, calling to ensure their critical care orders would be filled at the quantity required, obtain tracking information, or be able to provide clinicians with a view into the availability of the products they care about most.

These calls are an incredible waste of time for both an IDN's limited resources AND the supplier's human resources. To date, supplier response has been to create portals for self-service inquiry, but that only further shines a spotlight on the problem as many IDN buyers and supply chain personnel now find themselves having to "access a thousand more portals and remember more passwords."

We can assert that healthcare, and specifically IDNs, have been underserved by solutions aimed at other industries, and the space is ripe for innovation. As we continue to grow and innovate in the space, our customers are guiding us to create products that inform supply chain visibility and resiliency. It's a partnership that allows everyone to get better as we work together to ensure the best possible patient care.

The Essential Questions:

What to Think About When Considering Supply Chain Visibility Software:

We encourage you to go back and look over all of the questions again. And this time, read them knowing VPL has the technology in place to answer every single one of them.

You can get a copy of the entire list to review or print, here:

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To learn more, visit **getvpl.com**

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