Pathway to Supply Chain Sustainability

2 May 2012
Lilongwe, Malawi

Sc4ccm.jsi.com
Workshop Objectives

1. Obtain feedback on the Pathway to Supply Chain Sustainability tool and process
2. Describe the purpose & format of the Pathway to Supply Chain Sustainability Tool
3. Define scalability, institutionalization and integrated supply chain
4. Define the scope of scale up for CCM supply chain innovations
5. Use Pathway to Supply Chain Sustainability tool to identify factors for strengthening to scale and institutionalize supply chain innovations
6. Identify actions to plan to scale and institutionalize supply chain innovations
7. Identify ways to transform the current supply chain into an integrated, sustainable supply chain
SC4CCM Project Goal

SC4CCM will **identify, demonstrate, and institutionalize** supply chain management practices that **improve the availability and use of selected essential health products** in **community-based programs**

– In partnership with MOH, CCM and supply chain stakeholders in Malawi, Ethiopia, and Rwanda
Project Objectives

• Conduct a baseline assessment and develop implementation plan
• Test, identify and implement supply chain interventions
• Collaborate with partners to institutionalize improved supply chain practices
• Ensure capacity to procure quality, affordable CCM products
• Share lessons learned
Baseline Assessment 2010

- **Product availability** - of the HSAs who managed health products, 27% had the 4 tracer drugs* in stock on the day of the visit.

- **Poor data visibility** - 43% of HSA did not report logistics data to health facility.

- **Transportation between resupply point & HSA** - 80% of HSAs depended on bike to collect products; Key challenge – ‘the transport was always broken’.

- **Low motivation** among HSAs

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*cotrimoxazole, LA 1x6, LA 2x6, ORS*
CCM Supply Chain
Interventions in Malawi

Data Visibility

Efficient Product Transport (EPT)

Enhanced Management Approach (EM)

cStock to improve data visibility, appropriate actions and the quality of decision making in response to customer needs

Two approaches in addition to improve overall SC performance:

- **EM** to create a customer service oriented supply chain by aligning objectives and motivating SC staff

- **EPT** to address transportation barriers between resupply points and HSAs
Efficient Product Transport

• Implementing a continuous review inventory control system to minimize travel time purely for collecting supplies and reduce product volumes to be transported
  – Aligning HSA stock reporting and product pickup with frequent visits to health centers

• Simplify and automate the resupply process
  – Reduce HSA waiting time by enabling product prepacking at HC

• Bicycle maintenance training and toolkits for HSAs to enhance reliability of bicycles
Enhanced Management Approach

• Establish District Product Availability Teams (DPATs) with vision and commitment to community health product availability

• Promote the use of data to guide timely problem solving, decision making, supply chain performance monitoring and planning
  – SMS Alerts, web dashboard, printed reports

• Regular DPAT meetings to enhance teamwork and accountability to collective team goals, and recognize improved performance
cStock

- Open source, SMS and web based LMIS for HSAs
- One day training for all users (HSA, HC, district, central, partners)
- Routine and emergency transmission of data every month via SMS using Airtel, TNM shortcodes
- Districts, coordinators access dashboard regularly via internet to use data for problem solving and routine follow up with HC and HSAs
  - Printed reports for each HC to use for HSA follow up
Pathway to Supply Chain Sustainability

• Purpose
  – Assess readiness and actions needed to prepare for innovation scale-up and institutionalization
  – Discuss supply chain integration as path to sustainability
Pathway to Supply Chain Sustainability Tool

I. Background Information

II. Supply Chain Innovation at Scale

III. New Supply Chain Practice as Standard Business Practice

IV. Supply Chain Integration
Using the Results of the Tool

• To develop work plans to prepare for scale-up and institutionalization
• To advocate for resources, collaboration and process improvements
• To assess progress in scale-up and institutionalization
Definition of Scalability

Scalability is the ability to replicate a proven supply chain innovation and extend that innovation broadly and successfully, through thoughtful implementation design and advocacy, to be adapted and adopted to support the national CCM program, while achieving the desired benefits of improved product availability.
Scope of Scale-Up

- Goal of scaling the innovation (intervention)
- Geographical coverage of scale-up
- Timeline of scale-up
- Phased, simultaneous, other?
Factors to Consider in Scale-Up

• Organizational Coordination
• Organizational Capacity
• Funding & Resources
• Community & Staff Preparation
• Tools & Technology
Supply Chain Innovation at Scale

Group Work
Definition of Institutionalization

Institutionalization occurs when the innovations that have been developed and proven successful are adapted for and integrated into the structure and systems of the organization responsible for providing and supporting community case management services, in most cases the Ministry of Health, and that the innovation becomes a standard business practice of the organization.
Factors to Consider in Institutionalization

- Organizational Placement & Coordination
- Organizational Capacity
- Funding Stability
- Staff Capacity
- Tools & Technological Infrastructure
Institutionalization of New Supply Chain Practice as Standard Business Practice

Group Work
What is a sustainable supply chain?

Activity instructions:

• As a group, describe what it takes to make a supply chain sustainable by adding your ideas to the poster provided.
• You have 15 minutes.
• Give your colleagues a tour of your poster
An Integrated Supply Chain

“People, functions, levels, and entities of the supply chain are **linked and managed under an interconnected supply chain organization**. Supply chain managers are **empowered** and understand how to collect and use **information to map the system and streamline processes**, use resources more effectively, monitor and improve performance, and **align various supply chain processes to achieve common goals**.”
Characteristics of an Integrated Supply Chain

- Clarity of roles and responsibilities
- Agility
- Streamlined processes
- Visibility of information
- Trust and collaboration
- Alignment of objectives
The Supply Chain Integration Framework

Supply Chain Evolution

<table>
<thead>
<tr>
<th>Characteristics of an Integrated Supply Chain</th>
<th>Ad hoc</th>
<th>Organized</th>
<th>Integrated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clarity of roles and responsibilities</td>
<td>Roles are not clearly defined</td>
<td>Roles and responsibilities are clarified and documented</td>
<td>High performing teams are formed and supply chain managers are empowered</td>
</tr>
<tr>
<td>Agility</td>
<td>The supply chain is inflexible, unable to respond to changes</td>
<td>The supply chain sometimes responds to changes in the environment</td>
<td>The supply chain responds rapidly to changes in the environment, the marketplace, and customer needs</td>
</tr>
<tr>
<td>Streamlined processes</td>
<td>Processes are undefined and undocumented</td>
<td>Processes are defined and well run</td>
<td>Processes are optimized and continuously improved</td>
</tr>
<tr>
<td>Visibility of information</td>
<td>Logistics information is not available or shared</td>
<td>Essential logistics data are collected and reported</td>
<td>Supply and demand information are visible throughout the supply chain and used to make decisions</td>
</tr>
<tr>
<td>Trust and collaboration</td>
<td>Supply chain actors do not collaborate systematically</td>
<td>Supply chain actors value collaboration but it is not always achieved</td>
<td>Supply chain partners collaborate with and trust each other</td>
</tr>
<tr>
<td>Alignment of objectives</td>
<td>There is no consensus on a supply chain strategy</td>
<td>A supply chain strategy is under development</td>
<td>A comprehensive supply chain strategy is defined and implemented</td>
</tr>
</tbody>
</table>

Source: John Snow, Inc.
Thank You