

A STUDY ON CURRENT PROCESSES OF LOGISTICS AND SUPPLY CHAIN MANAGEMENT IN PUBLIC SECTOR IN GUJARAT.

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INTRODUCTION

- In health care organizations, supply chain is a new way of conceptualizing medical supply management. A supply chain is defined as-

“A virtual network that facilitates the movement of product from its production, distribution, and consumption” (McFadden and Leahy, 2000).

The supply chain associated with pharmaceutical products is critical in ensuring a high standard of care for patients and providing adequate supplies of medication for pharmacies. In terms of cost, it is estimated that supply accounts for 25-30 percent of operational costs for hospitals (Roark 2005). Therefore, it is essential that this is managed effectively to ensure both service and cost objectives are met.

REVIEW OF LITERATURE

- Heinbuch (1995) described an approach to meeting the challenge of healthcare cost reduction through the hospital material management function.
- Alverson (2003) discussed the importance of disciplined inventory management for hospitals, and suggested serious consequences of traditional hospital purchasing including lack of inventory control, missed contract compliance, excess inventory levels, frequent stock-outs and costly emergency deliveries, workflow interruptions, expensive rework, and increased health system labor requirements
- Burns (2002) discussed aggregation of suppliers and their products through electronic catalogues, visibility of orders and materials, and efficiency in procurement

METHODOLOGY

STUDY TYPE: Descriptive cross sectional study.

STUDY AREA: Warehouses in Gujarat.

SAMPLING METHOD: Non probability sampling

STUDY DURATION: February 2016 to April 2016.

SAMPLING TECHNIQUE: Selection of state and district is purposive(warehouses).

SAMPLE SIZE : 30

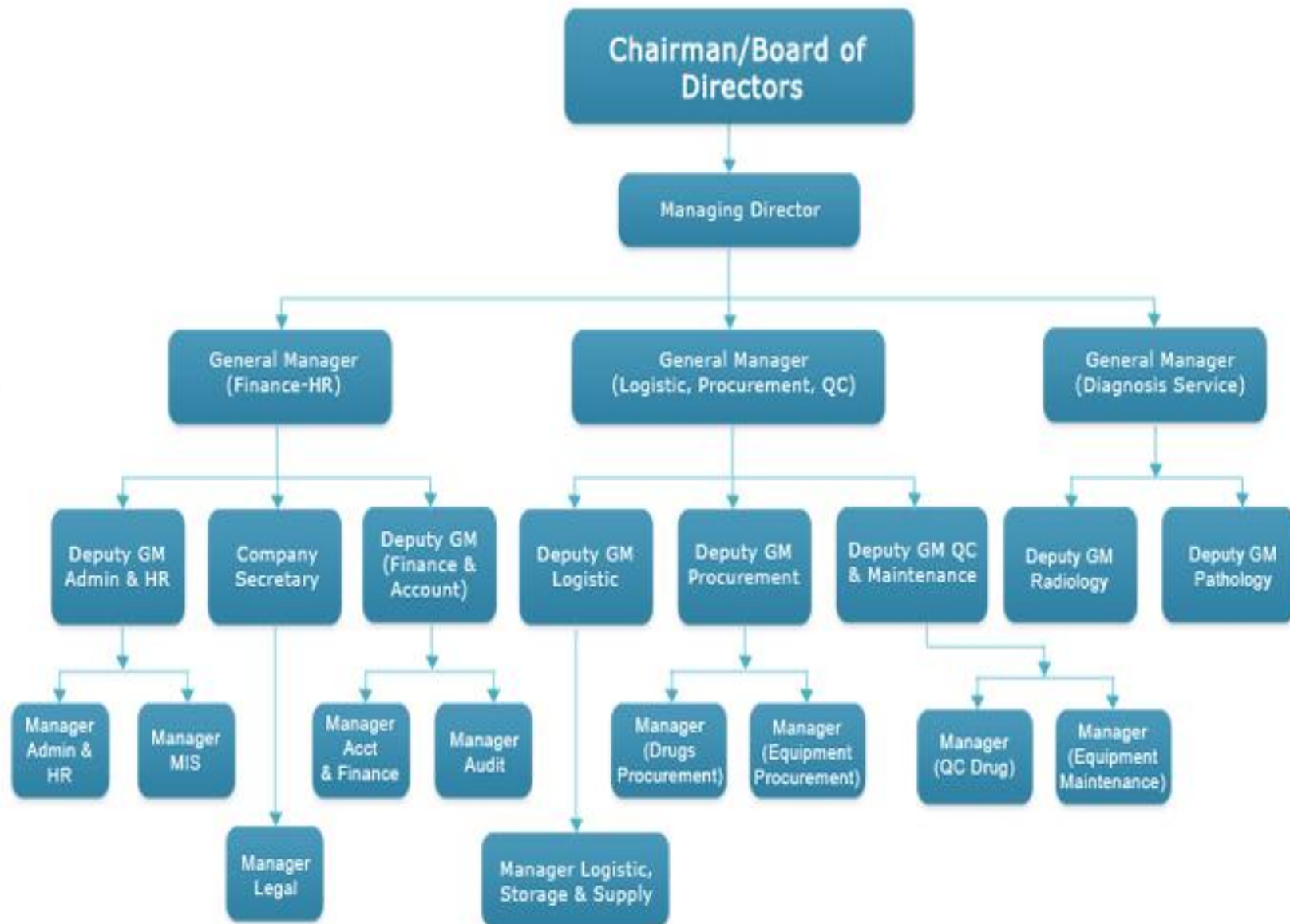
DATA COLLECTION

- **Primary data collection**
- Raw data (also known as primary data) is a term for data collected from a source. Raw data has not been subjected to processing or any other manipulation, and are also referred to as primary data.
- Primary data collection is observed and recorded directly from respondents. The information collected is directly related to the specific research problem identified. All the questions that one asks the respondents must be totally unbiased and formulated so that all the different respondents understand it.
- **Secondary data collection**
- Secondary data is data collected by someone other than the user. Common sources of secondary data for social science include censuses, organizational records and data collected through qualitative methodologies or qualitative research. Primary data, by contrast, are collected by the investigator conducting the research.

RESEARCH QUESTION:

1. What is the organizational structure and supply chain management process in public sector in the state of Gujarat?
2. What are the current procedures in supply chain management at a government of Gujarat?

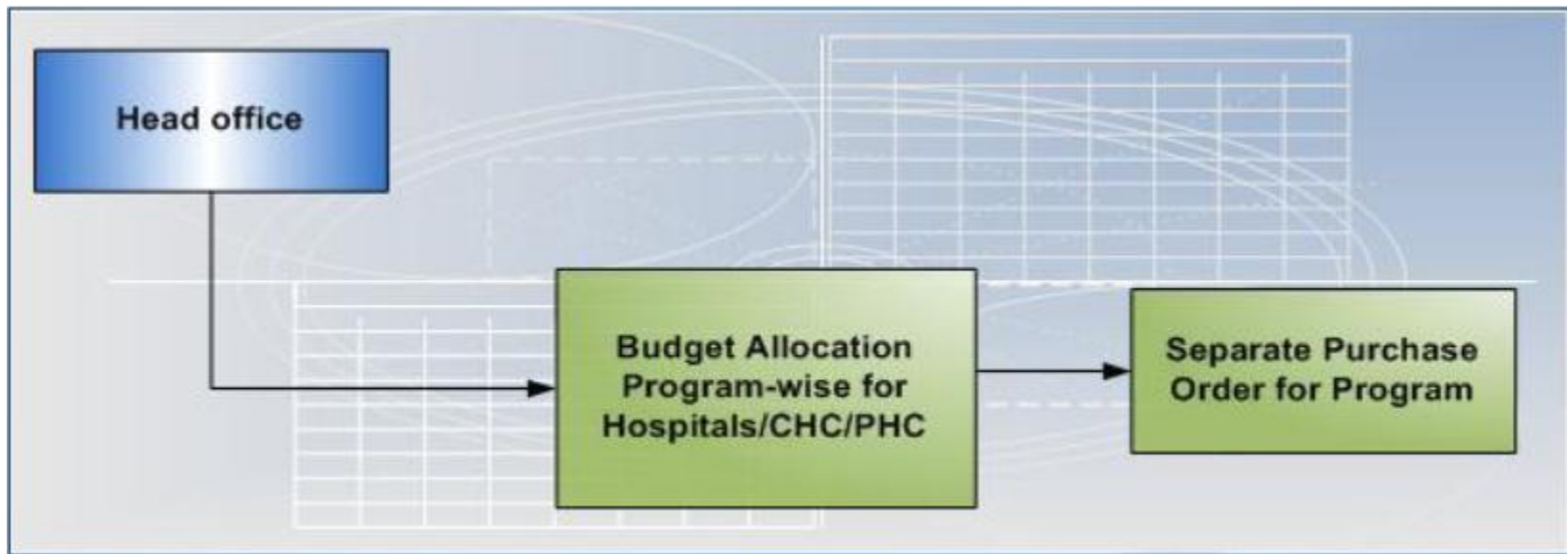
1) OBJECTIVE:- To study the organizational structure and processes employed in supply chain management in public sector in the state of Gujarat.



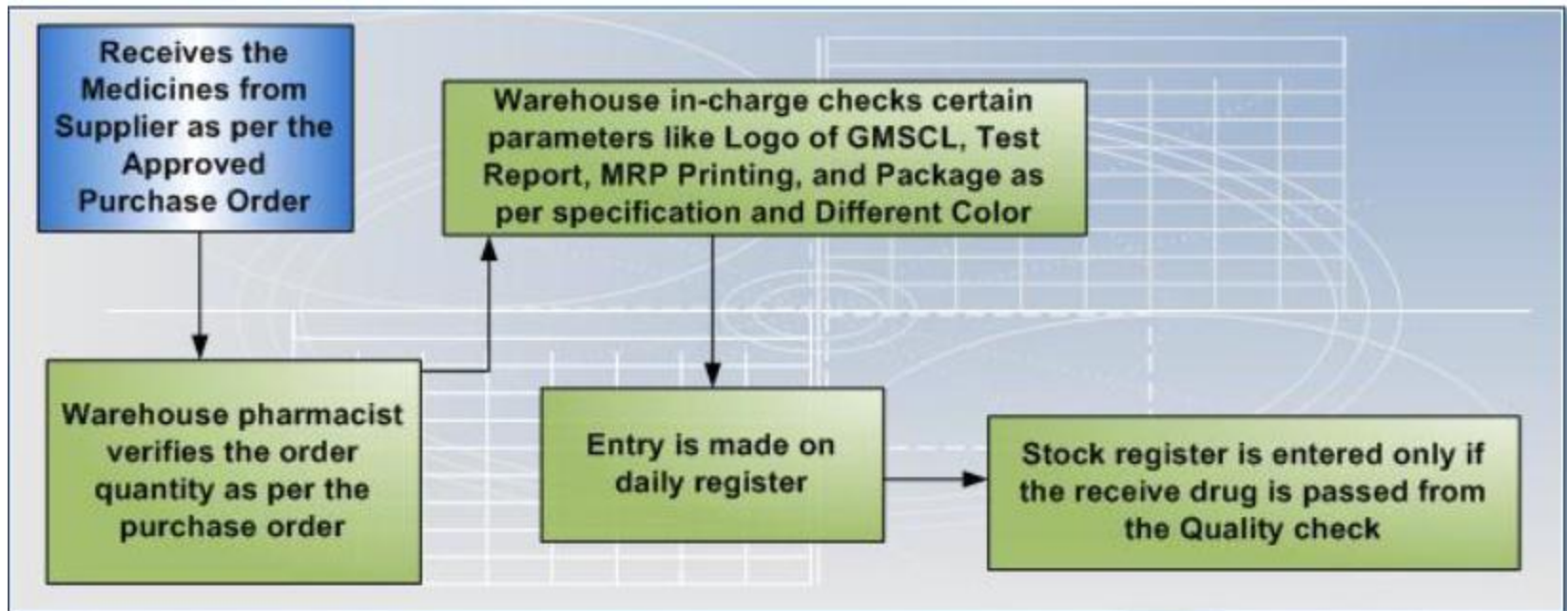
Various processes involved in Supply Chain Management

BUDGET ALLOCATION

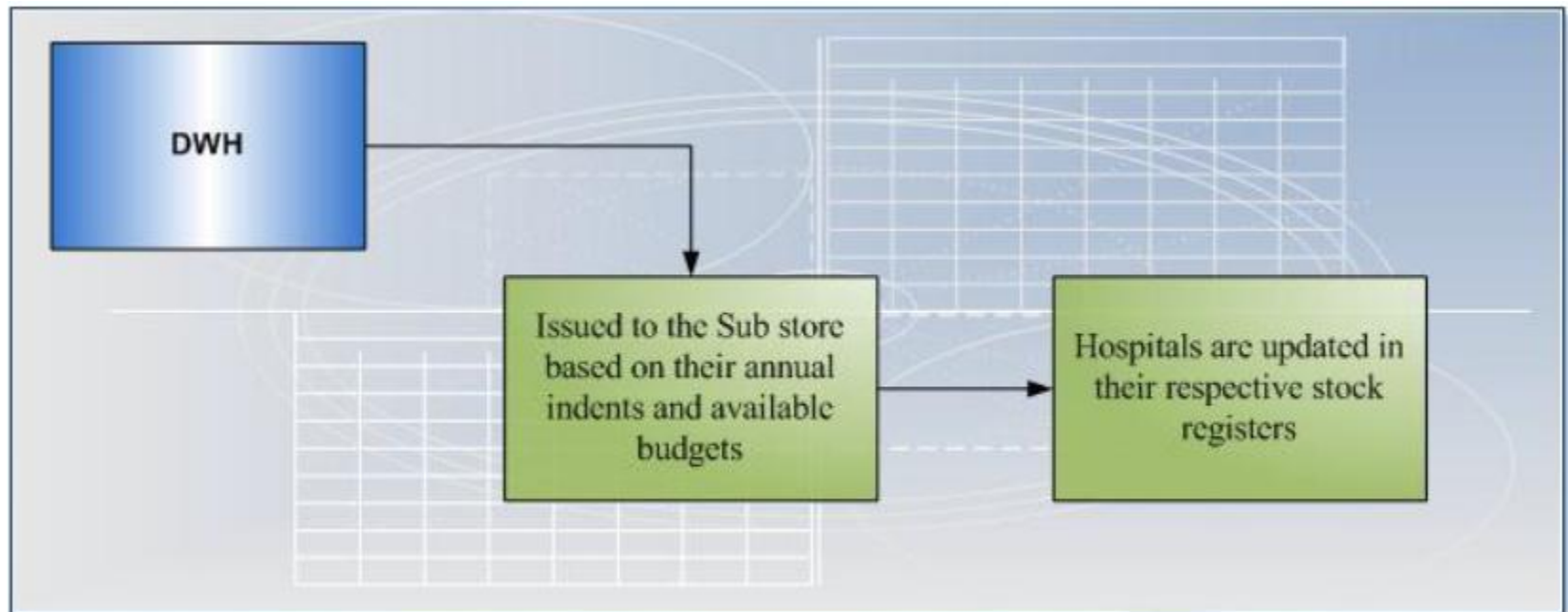
Budget is maintained and checked at the headquarter level. Purchase order level should not exceed the budget allocated for the program.



Receive of medicines as per the approved purchase order

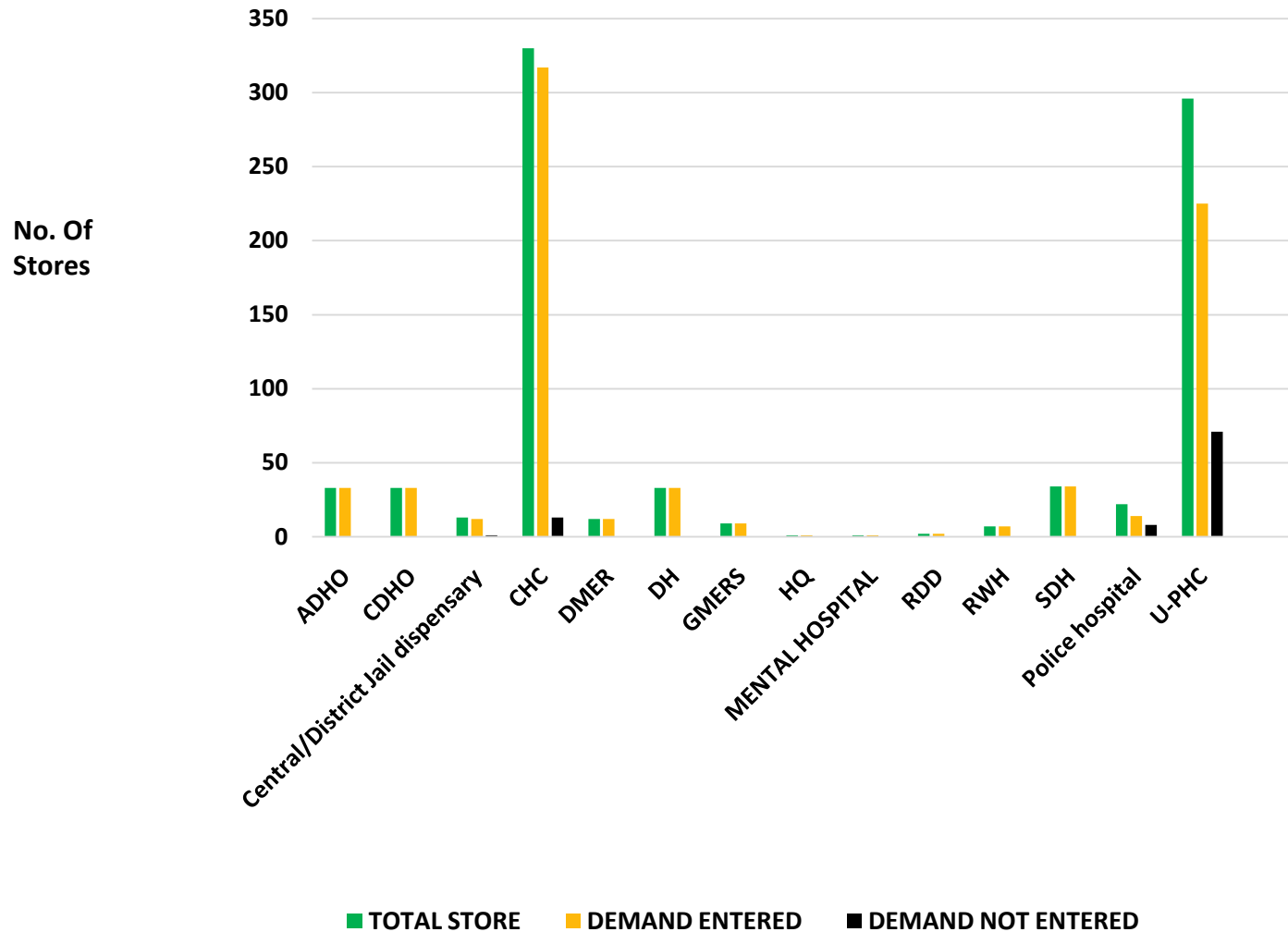


Medicine distribution from DWH to sub store

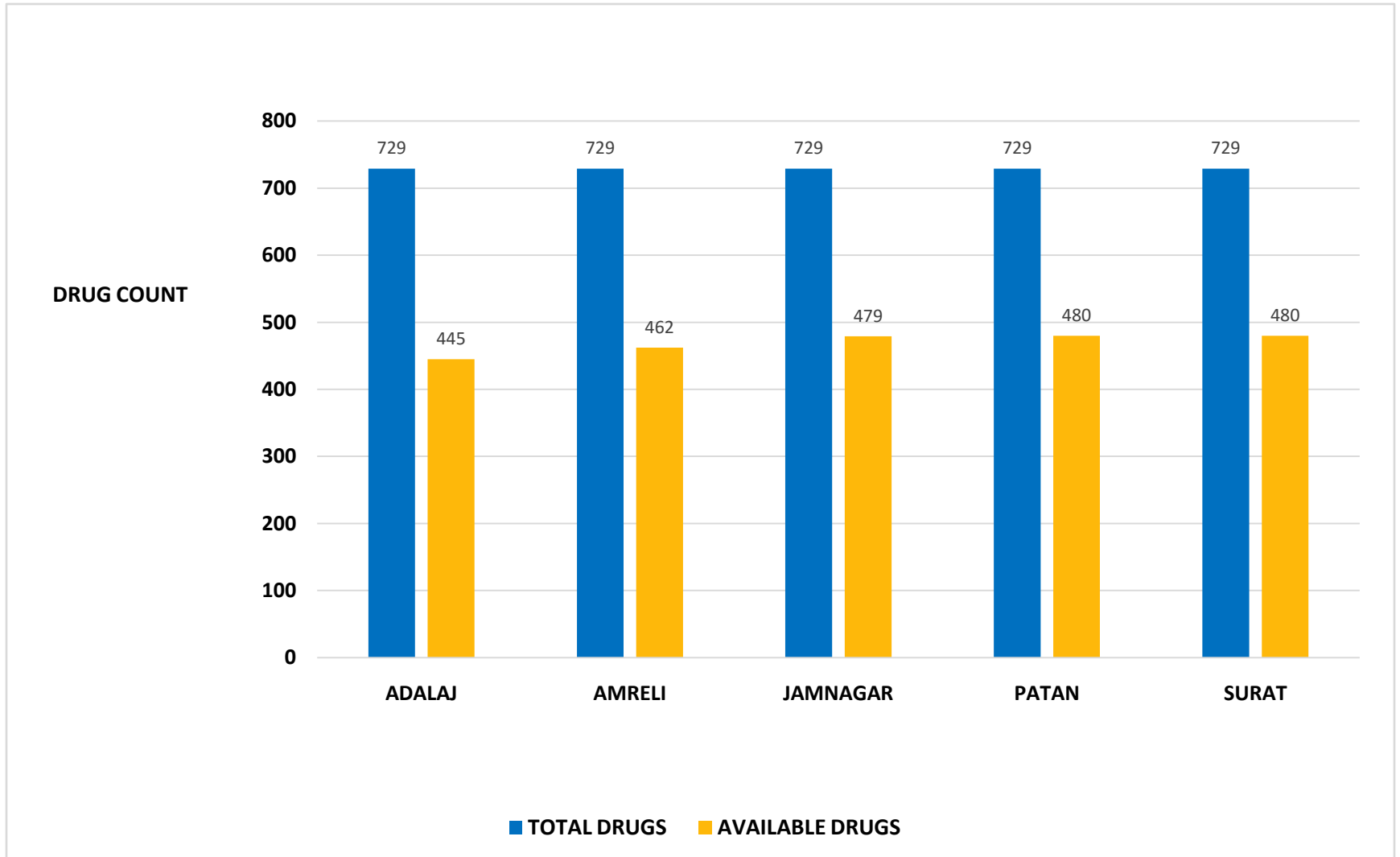


DATA ANALYSIS

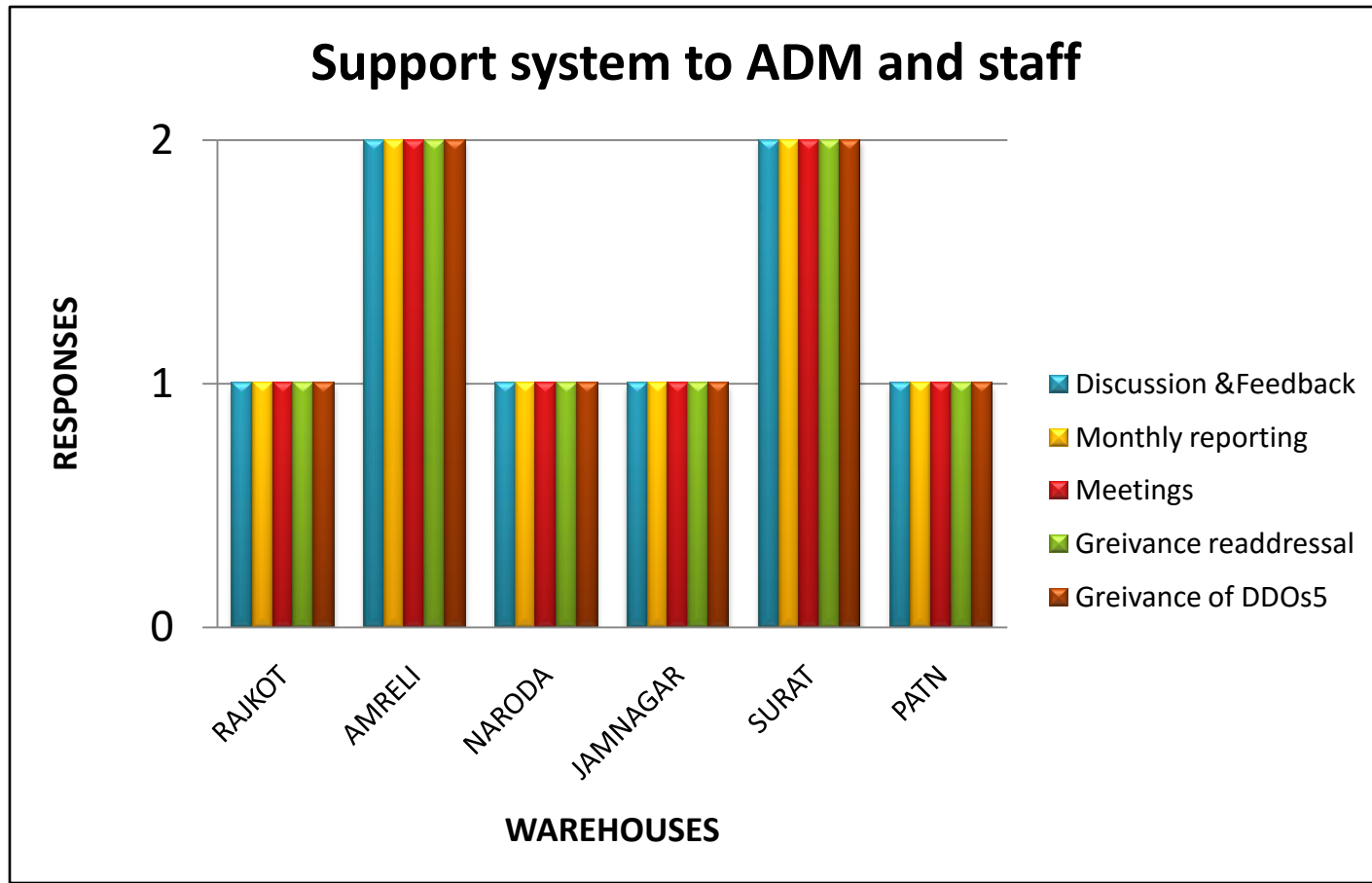
ANNUAL DEMAND 2016-17



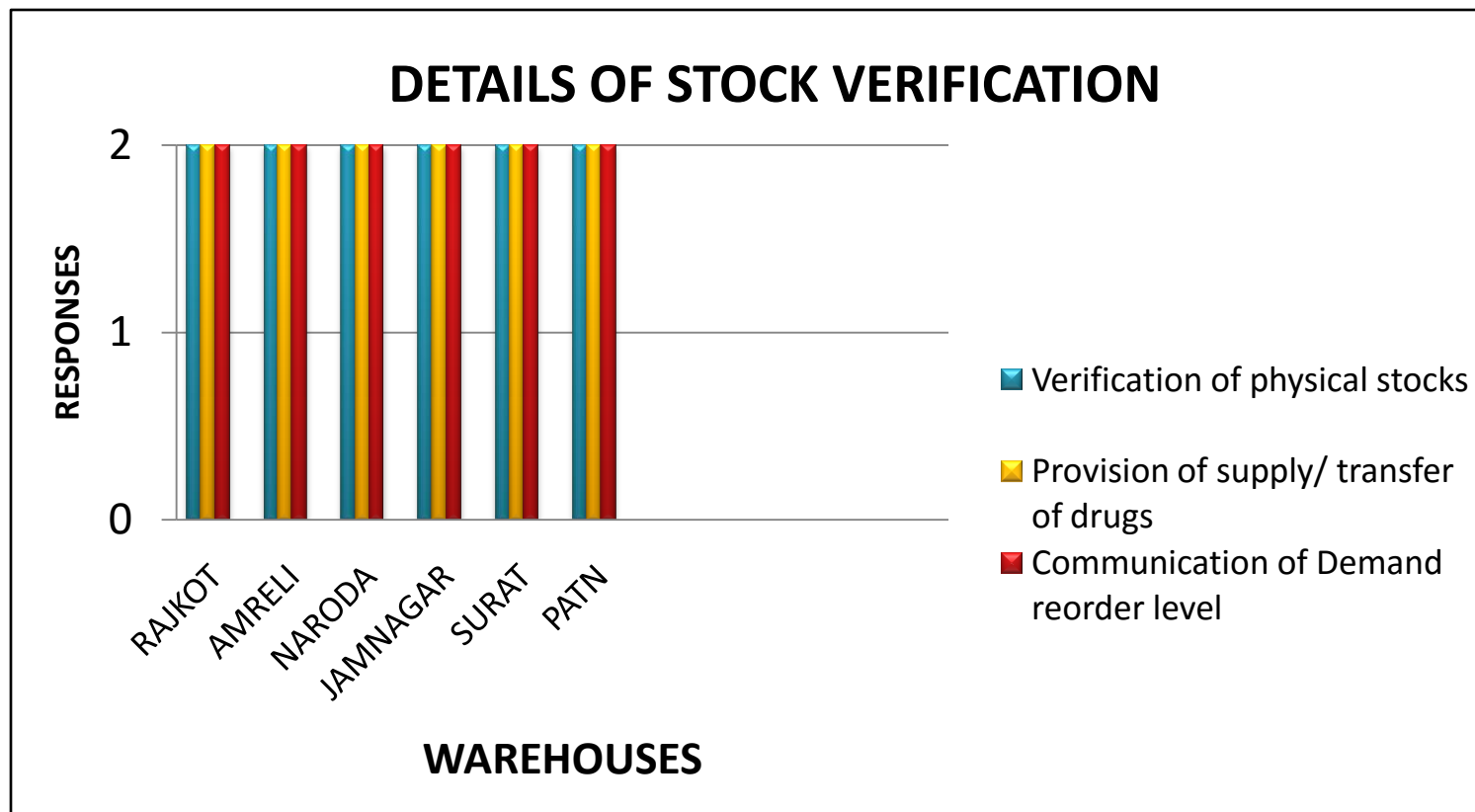
TOTAL AVAILABLE DRUGS



Analysis of Support system to ADM and Staff from GMSCCL



DETAILS OF STOCK VERIFICATION



e- AUSHADI – a new platform for supply chain management

- A new Software employed in system .
- This system has eliminated the difficult paper entries.
- Easy monitoring and evaluation of the entire system.
- Eliminates chances of thefts.
- Ready transfer of information to all the levels.

RECOMMENDATIONS

- All the regional warehouses have different number of purchase orders based on their requirements.
- The highest number of purchase orders are associated with Adalaj warehouse.
- The least number of purchase orders are associated with the Vadodara warehouse as it has started working recently.

RECOMMENDATIONS

- Cold Storage Equipments were Functional(verify thermometer reading)
- Outsiders are moving to the store room frequently
- Spillage of Liquid Drugs inside the Depot
- Workers Sleeping over the Packed Cartons
- Complaint / Feedback register
- Data entry operator
- Lack of human resources

CONCLUSIONS

- As is evident from the analysis, support system from the GMSCl to ADM and staff is inadequate in Rajkot, Naroda, Jamnagar and Patan.
- Supply chain automation of the drug management system provides an accurate view of state of drugs warehouse and inventories across the state.
- Information Technology is a very important step in streamlining the Supply Chain Management of the any organization. Through Information system (e-Aushadhi), the process can be made more transparent and chances of data manipulation and wrong information can be prevented.
- e-Aushadhi can help in streamlining the process of inventory management and can brought more transparency in the system. Different users at all levels have a better and much more accurate view of the state of drugs warehouse and inventories across the state

REFERENCES

- Acharyulu, G. 2007. RFID in the Healthcare Supply Chain : Improving Performance Through Greater Visibility. Journal of Management, VI(11): 32-46.
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- Stadtler, H., C. Kilger, eds. Supply Chain Management and Advanced Planning: Concepts, Models, Software and Case Studies. SpringerVerlag, NY, 355-70.
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THANK YOU