



Singapore Healthcare Management 2021

Order Replenishment Using Supplier Order Request (SOR) By Consumption

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Introduction

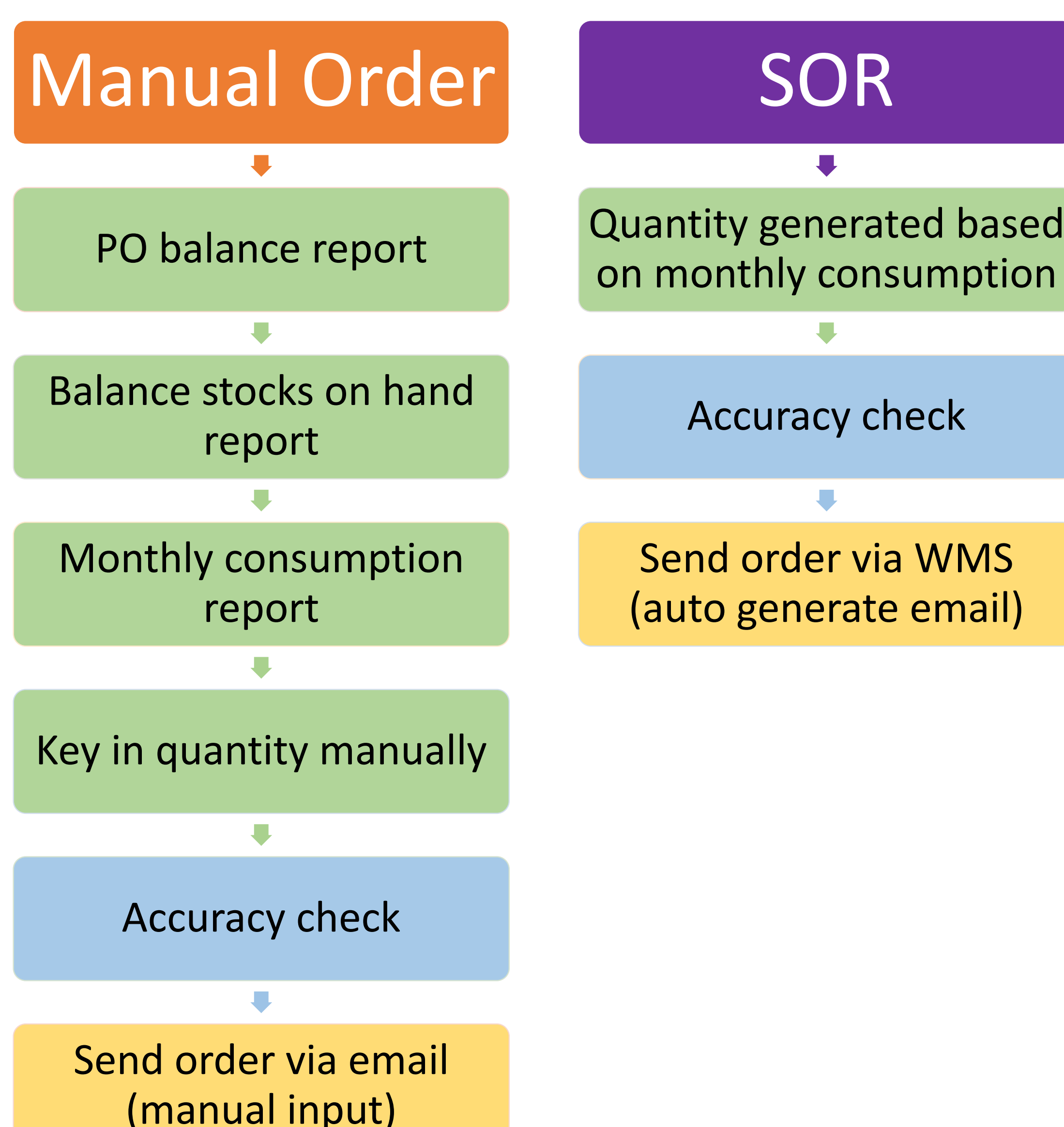
In Sengkang General Hospital (SKGH), the Pharmacy Store stocked more than 1200 medications for supply to the whole hospital. Replenishment of the medications from the suppliers was done on a weekly basis via manual ordering using Microsoft Excel spreadsheet by extracting information from different SAP reports. This process is tedious and prone to errors. Using SOR consumption template has improved the efficiency and accuracy of the order replenishment process.

Objectives



Methodology

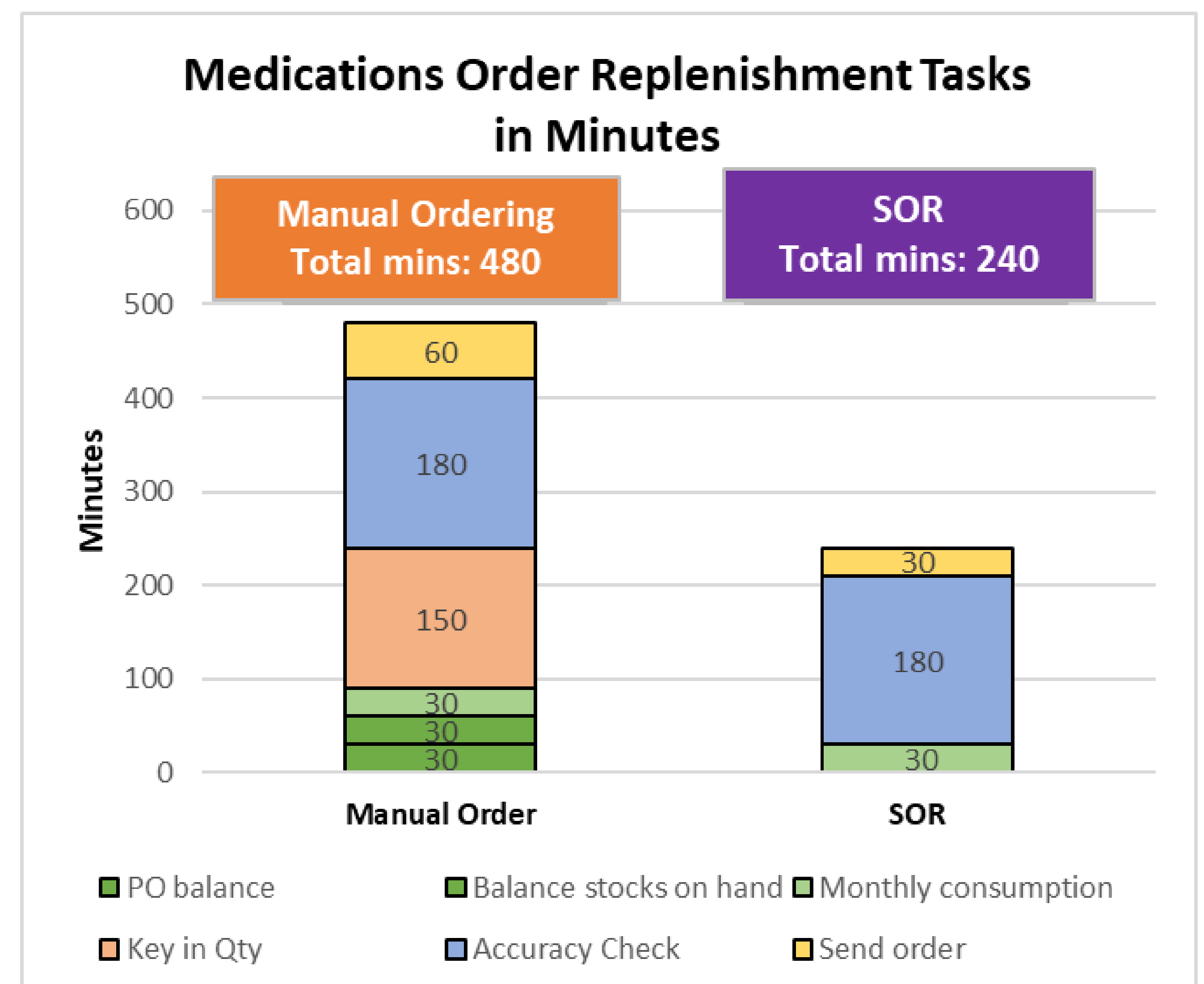
SKH Pharmacy store engaged WMS vendor, Gurusoft to work on SOR using consumption. SOR generated is based on movement in WMS during the selected date range (eg 4 weeks), as well as Purchase Order (PO) balance. Order quantity will also be rounded to the nearest bundle/carton size by the system. Below flow charts showed the comparisons in reducing the number of steps when using SOR consumption template for ordering



Results

Save manpower time by 50%

With SOR, the time required to complete tasks is halved.



Improve Accuracy by 50%

- Consumption data will be calculated by system to provide order quantity, thus less reliance on personal judgement to estimate order quantity and manual order entry.
- System will also send email to the vendor, thus there will not be incidence of sending order to the wrong vendor.
- Error is estimated to reduce from average 2-3 per month to 0-1 per month.

Improve Inventory Planning

- Recommended order quantity will be rounded up to the nearest pack size.
- The order generated is based on latest consumption, and not based on PAR level.
- System will generate Purchase Order Request (POR) for items with insufficient PO quantity.
- SOR will show the item expiry date of the last Goods Receipt (GR) which can guide the ordering quantity.

Optimize Stock Level

Recommended order quantity will be generated based on last 4 weeks of consumption. This ensures that quantity ordered will allow the hospital to have a least of 4 weeks stock holding at all times.

Conclusion

With SOR by consumption, the ordering process is simplified. There is less reliance on staff experience as the system will guide the ordering process which support the sustainability of the operations.