

Getting Products to People: How Commercial Sector Solutions are Transforming Public Health Supply Chains

By integrating their supply chains, high-tech companies have improved customer satisfaction, increased sales performance by 25%, and reduced costs by \$6 billion¹. The commercial sector approach to integrating a supply chain from end-to-end has been adapted for public health.

Deciding which health products to manage together is important, but it is not supply chain integration. An integrated public health supply chain links users, managers, suppliers, and funders from top to bottom.

Integrating the Public Health Supply Chain

Align objectives across partners by facilitating a participatory supply chain strategic planning process

A "master plan" can really help. Ethiopia, Liberia, Ghana and other countries have used a supply chain master planning process to ensure ministry staff, partners, and funders agree on a common vision and goals for an integrated supply chain.

Collaborate across levels and programs through logistics technical working groups

In Nigeria, Kenya, Nicaragua and elsewhere, national logistics committees bring various ministry staff and partners together regularly to address operational and strategic issues critical to the coordination of the supply chain.

Clarify roles, responsibilities and processes by documenting and sharing guidelines in standard operating procedures manuals (SOP)

From Guyana and Haiti to Tanzania and Zambia, many countries have documented the roles and responsibilities of staff with logistics duties in SOPs, using them as the basis for supply chain professional development.

Increase responsiveness and resilience in the supply chain to protect it from disruptions

Burkina Faso uses multiple sources of public-sector funding in tandem to ensure continuous financing to procure and distribute contraceptives, allowing them to adjust to changes in supply or demand or interruptions in the upstream supply chain.

Make information visible at all levels by capturing and disseminating data using a logistics management information system (LMIS)

Bangladesh and El Salvador capture and disseminate key logistics data to managers throughout the system using a web-based information system; Tanzania uses mobile technology.

Streamline processes and remove unnecessary steps

The Delivery Team Topping Up (DTTU) system in Zimbabwe actually connects the source of supply (the delivery truck) and the source of demand (the health facility), utilizing a delivery team rather than health facility staff to count stock and replenish inventory.



By translating these commercial sector lessons, public health programs:



Supply chain integration in Zimbabwe significantly improved availability of²

REDUCING STOCKOUT RATES FROM

33% to **2%**

AND LOWERING
SUPPLY CHAIN COSTS.



Resulting in **35%** more mothers treated to prevent mother-to-child transmission of **HIV**.³

¹ Global Logistics & Supply Chain Strategies. 2006. "IBM's Integrated Supply Chain Creates Strategic Value Throughout the Enterprise."

² Through the Delivery Team Topping Up System implemented with funding from USAID through the USAID/DELIVER PROJECT and the Supply Chain Management System (SCMS).

³ E.Mbizvo, et al. Combining supply chains in PMTCT and reproductive health to improve site performance in Zimbabwe: AIDS 2008 - XVII International AIDS Conference: Abstract no. THPE0525.