

Project Title

Inventory Sales Control using M.A.M.A (Min and Max Analysis) Approach to Achieve Improvement in Sales

Project Lead and Members

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Organisation(s) Involved

SingHealth Pharmacare

Healthcare Family Group Involved in this Project

Pharmacare

Applicable Specialty or Discipline

Department of Pharmacare

Project Period

Start date: Dec 2021

Completed date: Nov 2022

Aims

The need to adopt a more systematic ordering process to ensure products are available which result in increase of sales.

Background

See poster appended/ below

Methods

See poster appended/ below

Results

See poster appended/ below

Conclusion

See poster appended/ below

Project Category* *(refer file attached for more info)*

Care & Process Redesign

Quality Improvement : Workflow Redesign ; Job Effectiveness

Keywords

Sales Control (Min and Max Approach)

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Introduction

With the increasing demands of retail items in large quantity especially the Pharmacare outlets in hospital, the team struggled to find the magic number to manage the inventory level. Below are the issues and challenges encountered.



Staff is **confused** and **struggled** to meet the ordering quantity required and managing **customer reservation cases**.



Leads to **potential loss of sales** and not meeting department **sales target**.



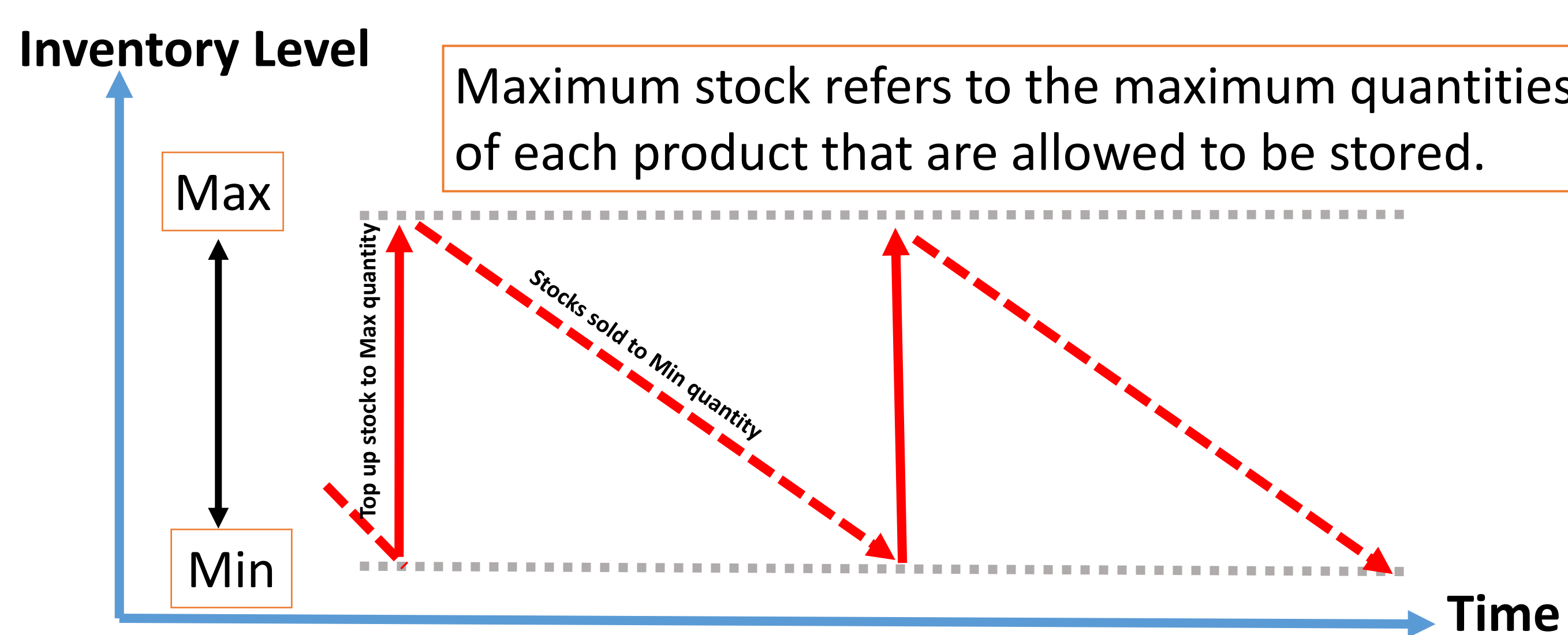
The need to adopt a more **systematic ordering process** to ensure products are **available** which result in **increase of sales**.

Pharmacare@SGH is the first outlet to pilot this project. If the pilot is proven effective, the same process will roll out to other Pharmacare outlets that locate in hospital.

Methodology



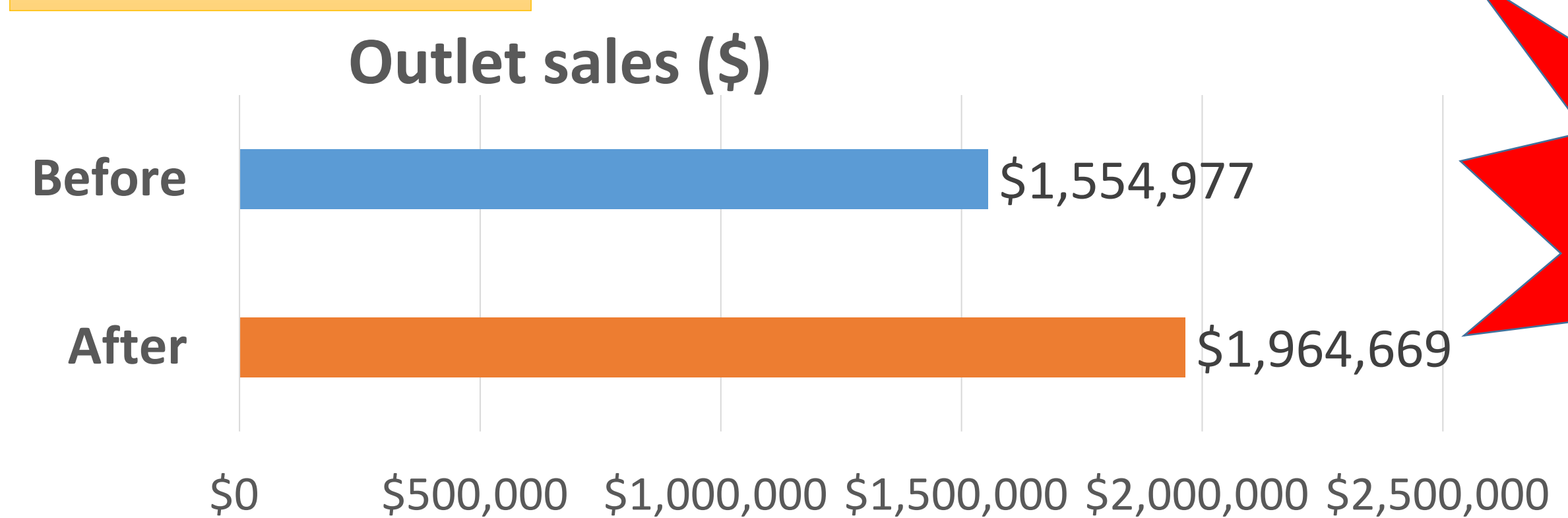
To find the elusive correct inventory level, we adopted the Min and Max Analysis to manage the ordering point. Sales data is used to determine the minimum and maximum stock level.



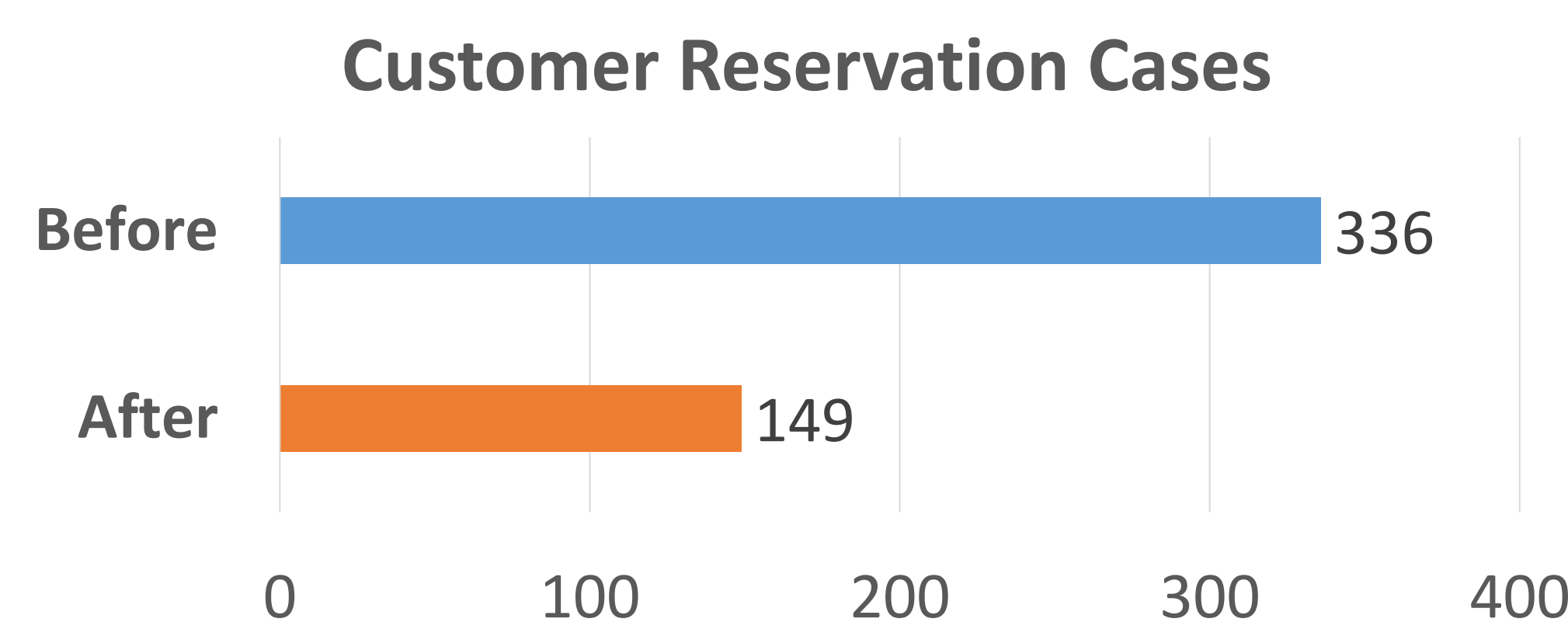
Results

Adopting Minimum and Maximum approach, it has proven to be successful with multiple improvement in sales and processes. Below 6 months comparison before and after M.A.M.A approach (Data between Dec-21 to Nov-22).

Outlet Sales



Customer Reservation Cases



Product demand forecast

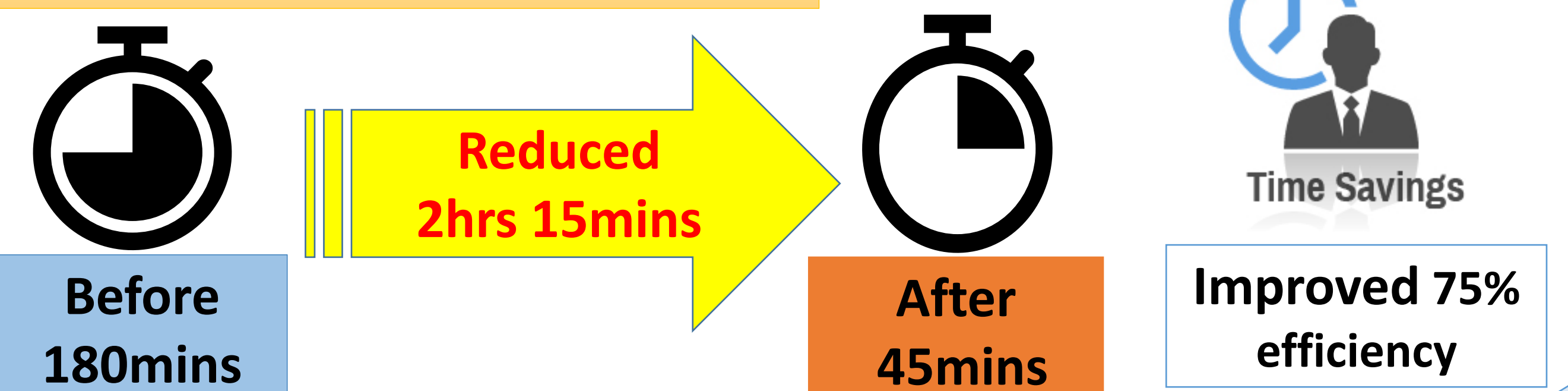
Before	After
Product Qty sales: 285676	Product Qty sales: 351559



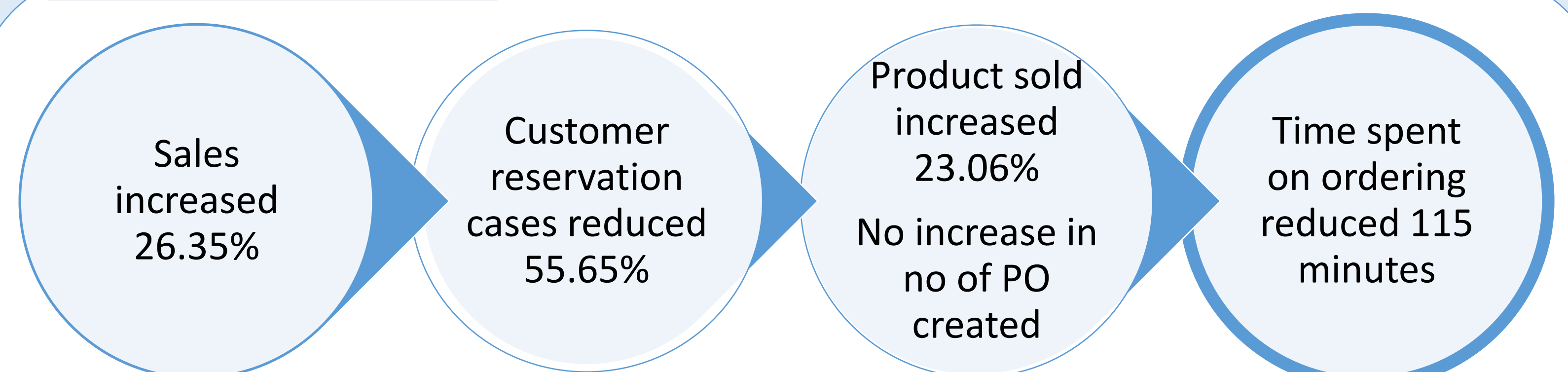
Increased product Qty sales 23.06% without increase in no of PO

On usual circumstances, PO Creation should increase due to higher product sales. However, we are able maintain the PO creation with no changes.

Time spent on ordering (Daily)



Conclusion



M.A.M.A approach increased outlet sales significantly with a better demand forecast to reduce insufficient stock. This approach also help to reduce customer reservation cases and streamlines the time spent on stock ordering process.

Acknowledgement

We would like to thank Ms Charity Wai (DGCOO, Singhealth), Ms Irene Ang (DD, Singhealth Pharmacare) and Ms Evelyn Phua (Snr Executive, Singhealth Pharmacare) for their guidance in this project.