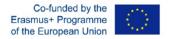




# Logistics: basics

Prof dr ir Liliane Pintelon - March 2020









# 0. Agenda







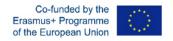
#### Overview

- 1. What?
- 2. Logistics terminology
- 3. Decision support tools for logistics
- 4. Logistics performance
- 5. Logistics projects





## 1. What ?







#### Leitmotiv

"logistics is not "happening" to you, logistics can be managed and optimized"

#### Logistics management is important

impact on high quality, safe patient care impact on budgets and spending impact on providing a professional work environment







and all for the loss of a nail.

For want of a nail, a shoe was lost; for want of a shoe, a horse was lost; for want of a horse, a message was lost;

for want of a message, a battle was lost, for want of a battle, a war was lost; for want of war, a kingdom was lost;

Outlandish Proverbs - Herbert, 1640

## What is "logistics"?

Logistics is about providing

"the right 'thing' = at the right place,

at the right time,

in the right way,

in the right condition,

at the right cost"

trade-off service vs cost

patients, staff, materials, devices, information

as planned

safe

prepared, temperature-controlled







Armies

Ancient times

Factories
Industrial
revolution

Service sector 1990s →

Think e.g. of Hannibal

Pioneers:

H. Ford

F. Taylor

F. & L. Gilbreth

Including hospitals





#### Types of logistic flows

Very diverse in nature Variable levels of complexity Lot of interactions present

Think of samples
Think of analyzers
Think of medication
Think of medical material
etc

Primary processes (diagnosis, therapy, care)

Secondary medical processes (pharmacy, labs)

Secondary non-medical processes (TD, FM, IPT)

etc

Think of technology management
Think of catering and cooking
Think of patient movements
Think of linnen and clothing
etc

Think of patient trajectories, care pathways, ...

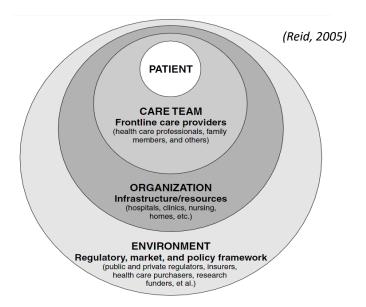
Think of shared resources: operating rooms, scanners,...





#### Managerial decision making

#### The system



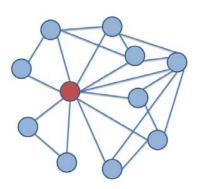
#### The levels

Strategic level

Tactical level

Operational level

#### The partners









#### Scale: illustration

2000 beds

Consultations: > 650000 per year

Day clinic: 100000 per year

Patient in-hospital transports: 900 – 1000 per work day

Dagopnames: iets minder dan 100.000 per jaar

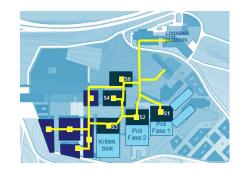
1850 suppliers

1 Mio order lines a year

800 interne receiving addresses

Laundry (linnen, clothing): 2300000 kg per year

Meals: 2000000 per year







#### Research area:

logistics healthcare engineering/management

#### Practice:

professionalization networking & outsourcing I(o)T, AI, ... technological innovation globalization





# 2. Logistics terminology





A typical outpatient journey

#### ERASMUS+ KA2 Strategic Partnership 2017-1-FI01-KA203-034721 HELP – Healthcare Logistics Education and Learning Pathway



#### Introductory example

Parking, busstop

(transfer)

Reception/Secretariat

(transfer)

Waiting room 1

Examination

(transfer)

Waiting room 2

Medical imaging

Waiting room 2 (bis)

**Consultation MD** 

(transfer)

Reception/Secretariat

(transfer)

Parking/busstop

Critical reflection

Patient logistics

Chain of medical and administrative steps, some have "value", some have not but can be

necessary

Different units involved Coordination needed

Besides time component, also a spatial

component







#### Visualizing the flow

#### Symbols (to map)

Process (action)

E.g. surgical intervention, consultation, medication preparation

Transfer (transport) E.g. patient from room to OR, medication from pharmacy to nursing unit

Buffer (waiting, storage)

E.g. waiting room, storage of medical materials

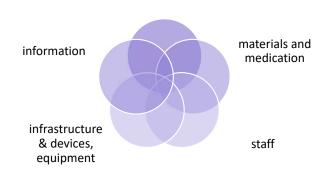
Decision point (chain split)

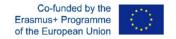
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E.g. triage in the ED

#### Involved ...

patient

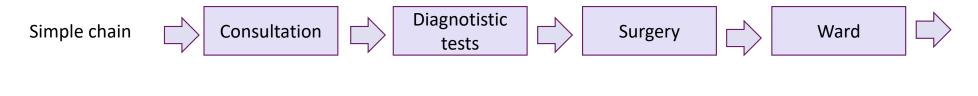


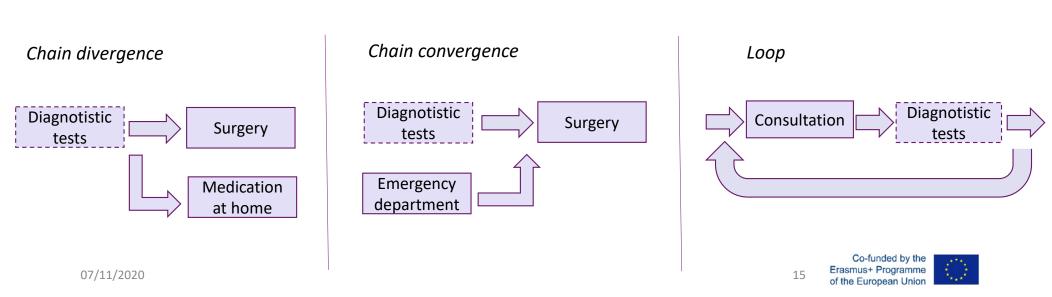






#### Logistic chain







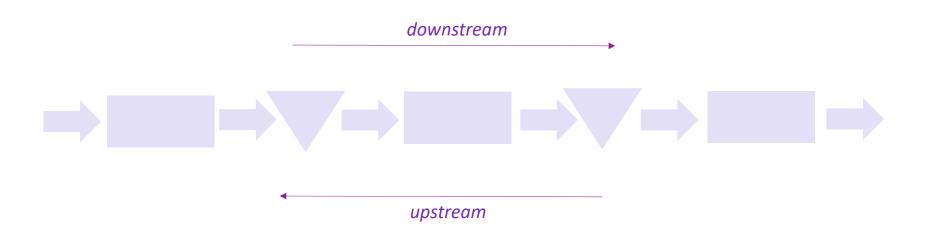


	Unit	<u>Chain</u>	Network
What?	Functional unit	Trajectory; different units	Intertwined trajectories, different units
Mgmt focus	Processes	Patient flow	Interactions
Optimalization	Capacity	Throughput	Coordination
Example	Stroke unit	CVA care pathway	Hospital – Revalidation center – Nursing home





#### Logistic elements & control







#### Bottleneck

The bottleneck is critical for the functioning of the chain. It is the limit to the chain's capacity.

A bottleneck causes "idling" and/or blocking": the system gets stuck.

Sometimes there is a shifting bottleneck, its position can change in time (e.g. am vs pm).



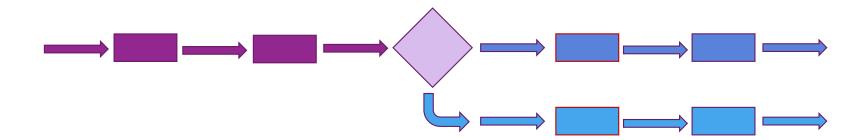




#### Penetration point

The penetration point is the point in the chain where the chain becomes patient specific.

The more the penetration point is upstream ( $\leftarrow$ ), the more difficult the logistics management; The more the penetration point is downstream ( $\rightarrow$ ), the easier the logistics management. Reasons are standardization and planning complexity issues.







#### Buffer

Buffers are needed if there is no perfect synchronization between in-flow and out-flow of materials/people.

Buffers ensure a smooth coupling between processes, however they create waiting time and inventory, they require space,





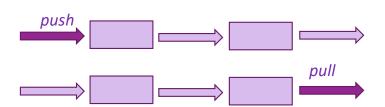


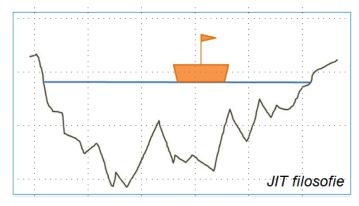
#### Push/pull control

Push: "customer" is pushed through the system – the process is the main concern

Pull: "customer" pulls the system – the customer is the main concern

Note: "customer" can be a patient (e.g. needing a scan) or a caregiver (e.g. MD ordering a lab test)









# 3. Decision support tools for logistics

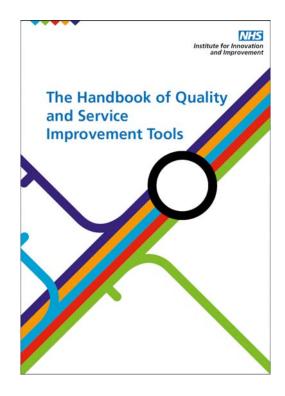


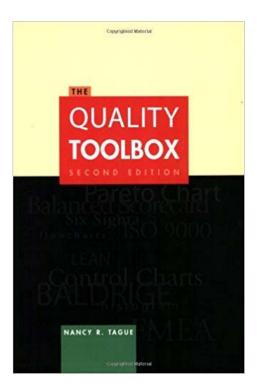


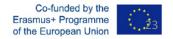




#### Lean thinking/Quality tools











#### **Examples**

simple quality tools, e.g. Ishikawa diagram, Pareto chart

process mapping, e.g. flowchart, multi-actor flowchart, spaghetti diagram, VSM (value stream mapping) + process mining

risk management, retrospective: RCA (root cause analysis): e.g. 5WHYs

risk management, prospective: FMEA (failure mode effect analysis)

other: SMED, 5S, waste analysis, A3 report, poka yoke

further tools, see e.g. Lean, 6sigma and TOC (theory of constraints)



#### ERASMUS+ KA2 Strategic Partnership II van de cursus 2017-1-FI01-KA203-034721



#### **HELP – Healthcare Logistics Education and Learning Pathway**

#### Algorithms & guidelines from OR/MS – I&SE

#### examples

data analysis / statistics

e.g. math modeling (stochastic)

e.g. queueing, simulation

e.g. MCDM

Scheduling and Sequencing

Inventory control

Capacity management

**Purchasing** 

e.g. rules of thumb, heuristics, algorithms (MP), AI

Architecture & layout

Storage, transportation, tracking



[See later for more detailed discussion]





# 4. Logistics performance







Data

contextualized

categorized

calculated

corrected

condensed

comparison

consequences connections

conversation

objectives

culture ethics

(guesses) (opinions)

data

information

knowledge

wisdom

action



**KPI** (key performance indicators)

Data from HIS or ERP
Data mining, process mining, ...
Measurements
(manual, RFID tracking, ...)





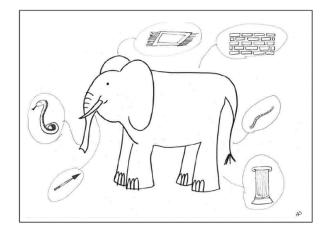
#### KPI pitfalls in quotes

"If you can not **measure** it, you can not improve it. I often say that when you can **measure** what you are speaking about, and express it in numbers, you know something about it; but when you cannot **measure** it, when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind." (Lord Kelvin, 1824-1907)

"People do what you inspect, not what you expect" (Lou Gerstner, 1942-)

"Not everything that can be counted, necessarily counts and not everything that counts cannot necessarily be counted" (Albert Einstein, 1879-1955)

"Would you tell me, please, which way I ought to go from here?"





<sup>&</sup>quot;That depends a good deal on where you want to get to," said the Cat.

<sup>&</sup>quot;I don't much care where—" said Alice.

<sup>&</sup>quot;Then it doesn't matter which way you go," said the Cat.

<sup>&</sup>quot;—so long as I get somewhere," Alice added as an explanation.

<sup>&</sup>quot;Oh, you're sure to do that," said the Cat, "if you only walk long enough." — Chapter 6, Pig and Pepper, Alice in Wonderland – Lewis Carroll, 1832-1898)





#### KPI definition principles

#### **SMART**

S: specific, stimulating, simple

M: measurable, motivating

A: achievable, agreed, attainable, assignable, appropriate, actionable

R: relevant, realistic, results/results-focused/results-oriented, resourced

T: timely, time-bound, time framed, timed, time-based, timeboxed, time-specific, timetabled, trackable

E: exciting, evaluated

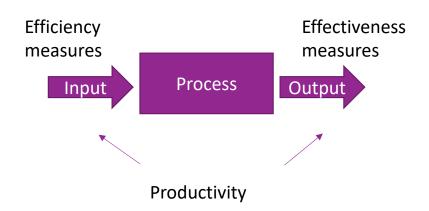
R: recorded, rewarding, reviewed







#### KPI examples



Throughput time

Waiting time

Leadtime

Service level

Capacity utilization

**Errors** 

Usage

...





#### KPI analysis

Snap shots/Spot checks



e.g. pie charts, bar charts, stacked bar charts, radar plots, ....

Follow-up/Forecasting

causal models

(e.g. y=mx+b)

time series models

(e.g. naive models, moving average, exponential smoothing, ARIMA)





# 5. Logistics projects







## Examples (see pre-assignment package)

Stroke unit: Patient flow and bed

**ODCU: Waiting times** and throughput

Consultation Glaucoma: Waiting times

Histopathology lab: Organization and planning

**ED: Overcrowding** 

Operating rooms: Planning and

Pharmacy: Organization (incl. automization) and distribution

Blood transfusion: Logistics and patient safety

Equipment & devices: Risk management (usage)

**Equipment &** devices: Risk management (engineering design)

Primary care: Device maintenance and

Hospital-at-home: Logistics and patient

Nursing home: Wheel

Materiaals management: Ordering, storage, distribution

Networks: Logistics cooperation

Biomedical engineering & logistics in developing countries

Primary processes (diagnosis. therapy, care) Secondary Secondary medical non-medical processes processes (pharmacy, (TD, FM, IPT) labs)







#### Generic approach

Opportunity. / Problem.	
Scope. Objectives.	
Analysis. Further research.	
Recommendations.	
Implementation.	
Quality assurance. Follow-up.	

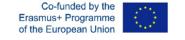
Do not forget to involve all stakeholders

Work data-driven and in a structured way

Visualize flows and decision points for easy communication

Be aware that iterations may be needed

Make good use of decision support tools and models







# 6. Wrap-up







#### Overview

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"Vocabulary"

[Basic insights]

Operations research

Discrete event simulation

Inventory

MCDM

Risk: technology mgmt

Risk: safety science

Pathways

Case presentations







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