HEALTH SYSTEMS MANAGEMENT I.

COMMODITY AND SUPPLIES MANAGEMENT.

**HCS 2107 COMMODITY SUPPLIES MANAGEMENT.**

**MODULE COMPETENCIES.**

**The aim of this module is to develop learner competencies in strengthening health care systems at their level within the health sector.**

**MODULE LEARNING OUTCOMES.**

* **Discuss principles of commodity and supplies management.**
* **Define the concepts in supply chain management.**
* **Describe procurement management practices in health.**
* **Describe an effective distribution and stock control system for supply chain management.**

**COMMODITY AND SUPPLIES MANAGEMENT.**

* **Commodity management cycle.**
* **Selection.**
* **Procurement.**
* **Ethical and legal implications in commodity and supplies management.**

**SUPPLY CHAIN MANAGEMENT.**

* **Is a set of synchronized decisions and activities utilized to efficiently integrate suppliers, manufacturers, warehouses, transporters, retailers and customers?**
* **Are all the tasks involved in deciding what to buy, where, when and how much and how to manage the stock?**
* **Is the process of ensuring the delivery of the right products at the right time in the right place?**
* **Also entails regularly ascertaining satisfaction as to services offered.**
* **Inventory management.**

**SUPPLY MANAGEMENT APPROACH.**

**Three items that flow through the supply chain:**

**. Information**

**. Money**

**. Materials**

**Three areas of decision-making:**

**>Materials**

**>Processes**

**>Logistics**

**Two types of tools:**

**>Information technology**

**>Operations analysis**

**IMPORTANCE OF SUPPLY CHAIN MANAGEMENT:**

* **Dealing with uncertain environments>matching supply and demand.**
* **The growth of technologies such as the internet enable greater collaboration between supply chain trading partners**
* **Availability of SCM technologies on the market.**

**TODAYS MARKET PLACE REQUIRES:**

* **Personalized content and services for their customers**
* **Collaborative planning with design partners, distributors and suppliers**
* **Real-time commitments for design, production. Inventory and transportation capacity.**
* **Flexible logistics options to ensure timely fulfillment.**
* **Order tracking and reporting across multiple vendors and carriers.**

**SUPPLY CHAIN MANAGEMENT>Key issues.**

* **Forecasts are never right.**
* **The longer the forecast horizon the worse the forecast.**
* **Aggregate forecasts are more accurate.**

**SUPPLY CHAIN IMPERATIVE FOR SUCCESS:**

* **View the supply chain as a strategic asset and a differentiator.**
* **Create unique supply chain configurations that align with your organizations strategic objectives**
* **Reduce uncertainties.**

**POLICIES, LAWS, and REGULATIONS IN SUPPLY MANAGEMENT:**

* **Policies prove guidance on what supply chain systems may be established.**
* **Laws and regulations provide a framework for the efficient management of supply chains.**

**NOTE.**

**Any products in the Kenyan market must satisfy the regulatory bodies for them to be allowed for use.**

**Doan assignment on the regulatory bodies you know in Kenya.**

**PROCUREMENT MANAGEMENT:**

**You must know the processes of procurement in Kenya and why it is important. It can be a source of corruption and once procedures are not followed organizations can fail to function. Hence impaired service delivery to the citizens.**

**EFFECTIVE PROCUREMENT FOR HEALTH SECTOR:**

* **Plan requirements and ensure availability of budget.**
* **Use open competition wherever practicable.**
* **Seek value for money with particular focus on high value items.**
* **Fairness, transparency and right to redress.**
* **Rationalize drug procurement based on WHO list and generics.**
* **Develop contingency plans for emergency procurement.**
* **Framework contracts can cover unexpected needs and ensure quality and price for decentralized procurement.**

**END.**

**Assignment.**

**FUNCTIONS OF KEMSA IN KENYA? WHAT DOES IT DO? ORGANIZATION AND CHAIN OF COMMAND.**

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