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Department of Industry

Business

ENTREPRENEURS PROGRAMME

SUPPLIER IMPROVEMENT PROJECTS

- AHSPO 2018 Conference -
Pearls of Wisdom in Procurement

Mike Sewell, Business Advisor

Brett Henderson, National Supply Chain Facilitator



Entrepreneurs Programme (EP)

The Australian Government's Flagship Programme providing advice, assistance and tailored support to small and medium businesses to improve business capability and competitiveness, improve collaboration with research institutions, and facilitate the commercialisation of new products, processes and services.

EP consists of four core elements:

- Accelerating Commercialisation
- **Business Management**
- Incubator Support
- Innovation Connections



What EP does

- Improved Business capability
- Effective business, research and Commercialisation networks
- Improved business performance



Supply Chain Facilitation - *A team based project approach*

Project scoped

WORK WITH BUYER (Business Facilitator)

- Agree project objectives
- Understand Market context/opportunity
- Document 'Buyer Needs and Requirements' and agree targeted suppliers

Suppliers engaged

WORK WITH SUPPLIERS (Business Advisor)

- *Supplier Improvement Plans* – Advisers perform a 'Gap analysis' against Buyer Needs and Requirements
- \$20,000 matched funding (Business Growth Grants) to support action implementation
- Individual support from Adviser to implement actions

Collaborative Opportunity

SCOPE LINKAGES AND COLLABORATIVE OPPORTUNITY (Business Facilitator)

- Identify emerging themes from individual engagements (SIPs) – in liaison with Business Advisor
- Conduct workshops to address areas in common, build relationships and strengthen knowledge (Entrepreneur Learning + workshop tools such as RMM, ISCI, Alliance Building)
- 'Brokering' of relationships & linkages – other agencies and stakeholders



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- Melbourne Health - All Aboard EDI (Pilot) Project

Designed to focus on improving the capability of suppliers into the healthcare sector to become eProcurement ready and able to supply through electronic data interchange (EDI) protocols.

Supporters:



Calvary





WHY – Australian Market perspective

Melbourne Health Logistics is responsible for the provision of healthcare product supply and is working in conjunction with other healthcare suppliers such as South West Health for supply chain efficiencies.

Currently implementing a new Warehouse Management System (WMS) as part of an eProcurement refresh project where all suppliers will need to be EDI capable.

Supporters:





WHY – A Global Perspective

Supply chain management and optimization has become a priority area for global health systems due to increasing complexity of healthcare supply chains and the availability of IT solutions capable of automated supply chain management and advanced analytics.

Enabling end-to-end supply chain visibility, facilitating effective product recalls, tracking of medical products, enhancing inventory management, supporting regulatory compliance, and automating reimbursement and replenishment processes.

SOURCE:

Models for Global Medical Device Supply Chains Standards – IVEY Business School, International Centre for Health Innovation

Top 10 Healthcare Mega Trends

01	Shift to predictive and preventative healthcare	06	Move to value-based care
02	Consumerisation of healthcare	07	Digitisation of healthcare
03	Big data analytics	08	Rise of the Asian manufacturer
04	Growth in use of personalised therapies	09	Automation of healthcare delivery
05	Decentralisation of healthcare delivery	10	Wearables everywhere



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All Aboard EDI (Pilot) Project - Key Areas of Focus:



Identification

One code, one product
Regulated Medical Surgical Products



Data Management

Product Data
Product Pricing Data
Data Accuracy



eProcurement Capability

Overview of buyer requirements and assessment

Buyer requirements

- Identification – one code, one product
- Identification – Regulated Medical Surgical products
- Data Management – National Product Catalogue (NPC)/Common Catalogue (CC)

Assessment

- Correct identification of products using the Global Trade Item Number (GTIN)
- Regulated Medical Surgical products to clearly identify the batch and expiry dates with the GTIN
- All Medical Surgical products to be in the NPC/CC
- Everything that can be purchased in a hospital to be in the NPC/CC

Overview of buyer requirements and assessment (cont.)

Buyer requirements

- Data Management NPC/CC – Product Pricing Data
- Data Management NPC/CC
- eProcurement Capability

Assessment

- Contracted and non-contracted prices published whole of state Global Location Number (GLN)
- Supplier to have systems, policies and procedures for managing NPC/CC
- Automated supply chain using electronic messaging including purchase orders, purchase order response, invoice, invoice/payments, advanced shipping notices

Desired Outcomes

Project focus is improved supplier capability – not pricing

- The buyer benefits through improved performance of its suppliers
- The supplier benefits from superior performance of the supply chain and in increased attractiveness to other customers delivered by independent tailored advice and funding support.
- Everyone benefits by improved competitiveness of Australian SMEs resulting from improved use of digital capability being introduced into health supply chains.
- The digital economy is real and evolving quickly

Supplier Improvement Programme



QUESTIONS?



How do I participate?

We'd love 10 more
eligible businesses
in the pilot project



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Brett Henderson
0400 710 377

Contact



Mike Sewell
0409 512 578