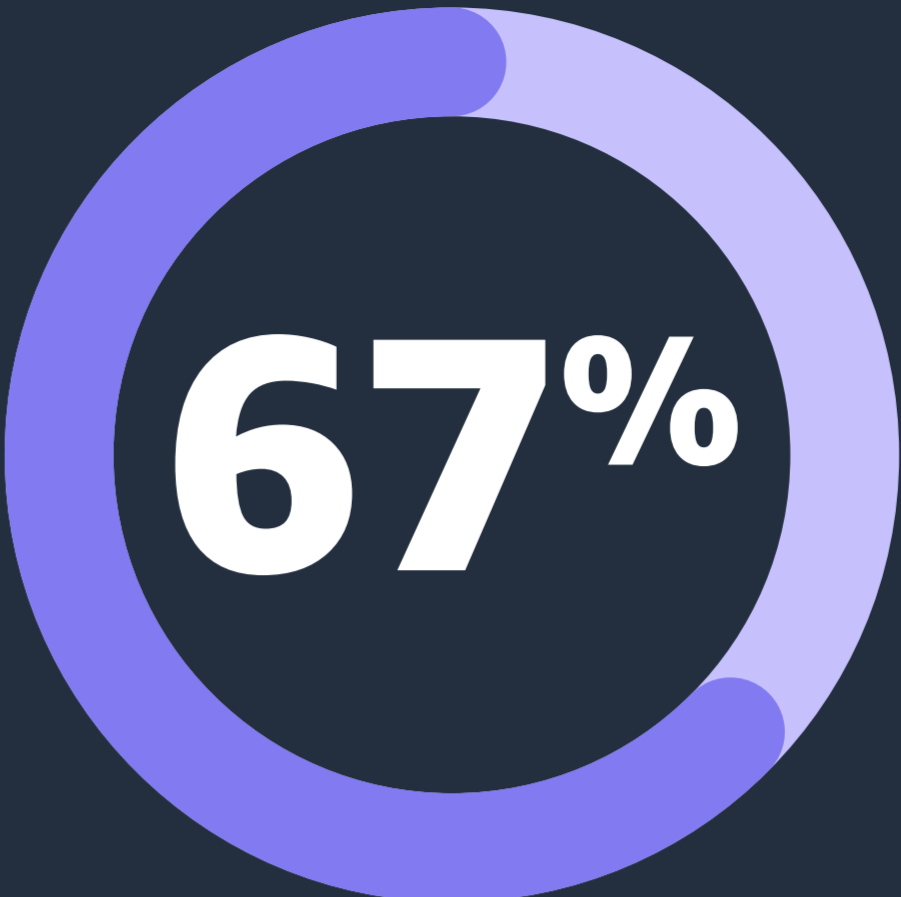


Navigating the Changing Landscape of Healthcare Procurement

amazon business




The supply chain and procurement function oversees most of a health system's external spend, including non-labour spend, medical supplies, and other utilities. This accounts for up to 40 percent of the organisation's total costs. Leaders increasingly acknowledge supply chain and procurement's central role in driving efficiency for their organisations. They also look to procurement as a way to build resilience to weather market volatility, economic downturns, supply chain issues, and other disruptive forces.



67% of health system executives now view the supply chain function as more strategic and less transactional.

Source: McKinsey Survey of Health System C-suite and Supply Chain Executives 2022



 Learn about current challenges faced by healthcare procurement leaders and how to overcome them.

Healthcare procurement challenges



Selection and Pricing

When the economy experiences a downturn and cost-cutting becomes the highest priority, access to a wide selection of products with competitive pricing and high quality is integral to both survival and growth.



Purchasing Operations

Traditional sourcing tactics, with notoriously slow and tedious processes, tend to decelerate operations and frustrate staff.



Spend Visibility

Rising purchases outside of existing supply chain management systems make it difficult to manage policy adherence and track spend.

Balancing the purchasing landscape in healthcare

Healthcare leaders must increasingly balance the need for sourcing speed with visibility on buying behaviour and spend management. To prosper in the face of uncertainty, organisations must adopt more agile supply chain operations that make buying easy while optimising costs.

Here are three ways procurement leaders can accelerate change, strengthen supply chain resilience, and drive organisational value:

1

Extend your supply network with competitive pricing

2

Automate purchasing while maintaining spend control

3

Make better data-driven decisions and guide buying

1. Extending your supply network with competitive pricing

Operational disruption and delays in back-ordered supplies impair employee productivity, reduce cash flow, and pose risks to patient safety. Traditional means of finding new suppliers involve a lengthy process. By relying on traditional supply chains – and external parties that don't fulfil product demands while limiting access to alternative purchasing solutions – healthcare buyers remain at a disadvantage.

Healthcare buyers seek new suppliers to improve their organisation's resilience. B2B e-commerce tools provide access to millions of sellers. By purchasing in an online store that consolidates access to multiple suppliers, the risk of purchasing directly from multiple individual suppliers is inherently minimised. Better still, digital solutions eliminate the time spent onboarding and managing vendors.

With cost-reduction as the top priority, it is evermore important to access a wide selection. Competitive pricing from hundreds of thousands of sellers helps you increase savings on larger quantities of select items, all without vendor contracts.



of respondents say their greatest supplier management challenge is the ability to quickly switch suppliers in response to disruption.

Source: 2021 Harvard Business Review
Analytic Services Survey

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“Amazon Business was able to provide us with a portal which is compatible with our compliance and public sector buying rules (electronic invoicing via Chorus) within a few days. We were able to supply certain products within a very short lead time at a cost-effective price.”

Philippé Honoré
Procurement Manager,

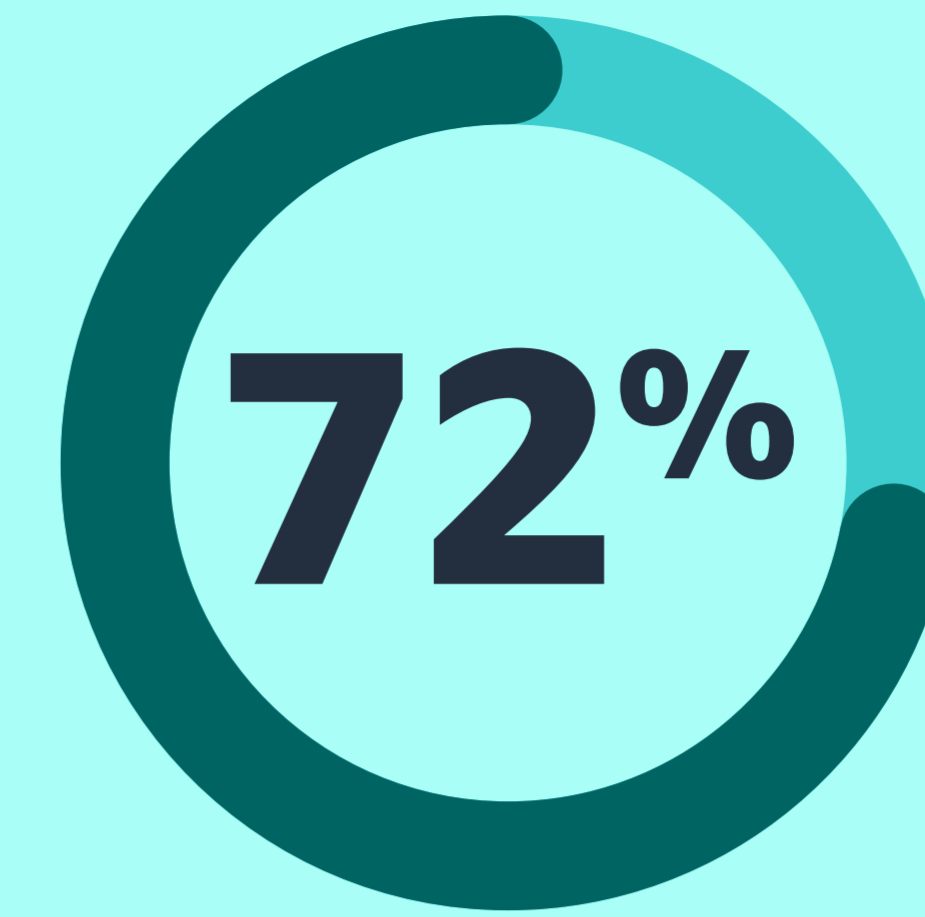
Brest University Hospital Centre (CHRU de Brest)

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2. Automate purchasing while maintaining spend control

Your organisation needs certain unplanned supplies that could be outside of a negotiated agreement. As an end-user, manual processes—like tracking down stakeholders for purchase approvals and searching for frequently purchased products—take more time than they should. As a centralised procurement team, with hundreds of buyers making fragmented purchases, it's easy to lose track of essential information, skip steps in the purchasing authorisation process, or miss opportunities to consolidate spend especially for supplies purchased in bulk. It's not enough to maintain supply continuity through strategic sourcing. In order to move quickly, healthcare providers must embrace digital tools that streamline procurement activities and make buying easy.

This is accomplished by automating processes, delivering intuitive experiences, and centralising access. By empowering employees with innovative digital purchasing solutions, they can spend less time on sourcing activities and more time on high-value initiatives for the organisation.



of leaders say digitising more processes and technologies will increase operational efficiency.

Source: 2021 Harvard Business Review Analytic Services Survey

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By setting up and configuring our [Amazon Business] company account, we expect to save around 80% of the previous process costs.

Daniel Ralf
Head of Accounting,
Dein Dental

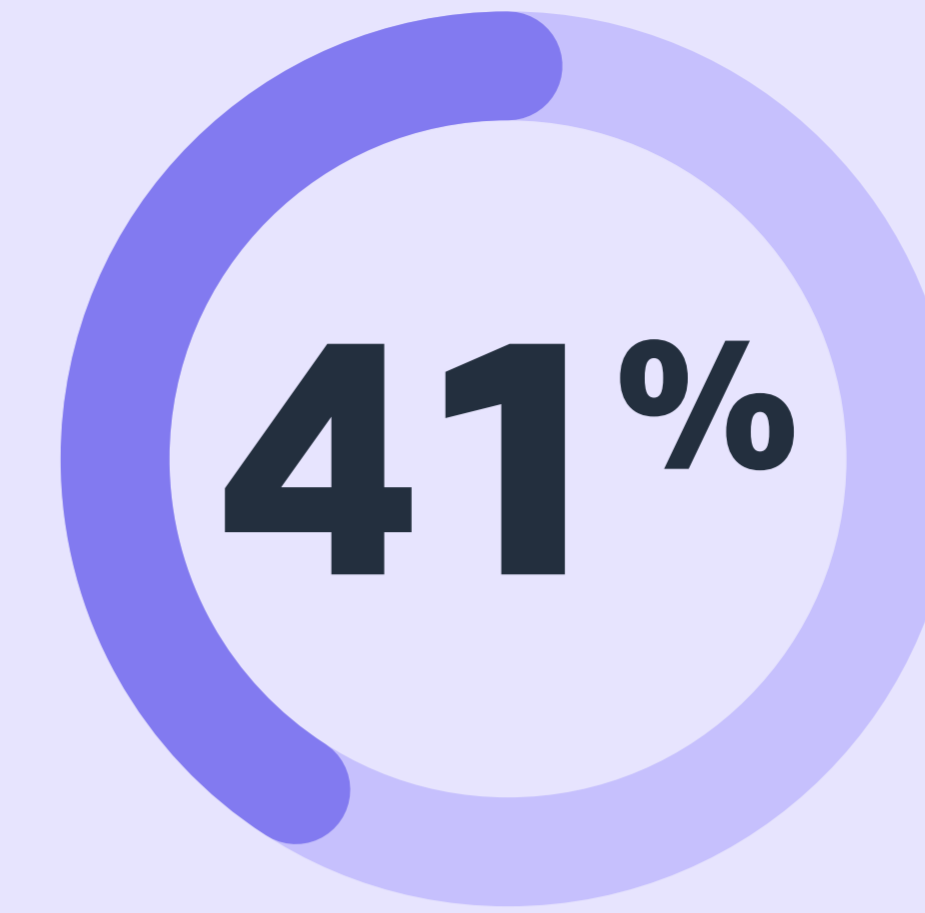
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3. Make better data-driven decisions and guided buying

Non-contract spend and alternate buying behaviour can be unpredictable, making it difficult to track and manage. Without full insight into spend, healthcare organisations can't recognise opportunities to reduce costs. With multiple buyers across your organisation, you might end up paying tax on items you shouldn't or unintentionally order expensive items when more cost-effective options exist.

Employee expectations for purchasing simplification and speed don't have to mean a trade-off for the visibility leaders need to meet the financial demands and expectations of their organisation.

By consolidating spend to one place, healthcare leaders can save time compiling reports from multiple sources, access real-time data, and recognise purchasing patterns across teams and the organisation.



of respondents rate their ability to track and analyse data as good or very good.

Source: 2021 Harvard Business Review
Analytic Services Survey

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“Integrating Amazon Business into our ERP has allowed us to make an evolutionary leap in the digitalisation of tail spend purchases and in the efficiency of the procurement process across all our 30+ companies on the national territory, enabling the company to standardise the purchases and employees to enjoy greater autonomy. Furthermore, due to a series of strategic initiatives and analysis tools, we were able to increase visibility and control over expenses, allowing the company to make informed decisions and identify savings opportunities across different product categories.”

Raffaello De Fidelibus
Procurement Manager,
Eurofins

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How HCRG Care Group is reducing their supply base to simplify procurement for NHS front line workers

HCRG Care Group, one of the largest commissioned providers of healthcare to the NHS in the UK, was struggling with an overly complex supplier ecosystem. With roughly 2000 suppliers in the procurement ecosystem, the 400 buyers around the business including nurses, clinical workers and partners could not find the products they needed to deliver timely care to their patients. Additionally, the procurement team at HCRG Care Group was not large enough to be able to support the buyers at the rate needed to deliver urgent care.

The procurement team turned to Amazon Business to help consolidate their suppliers and simplify the process for buyers to get what they need. Health workers could see products in a consolidated single view rather than having to navigate multiple supplier sites to find what they needed. By saving 2-3 minutes each day, frontline workers had more time to focus on providing the best patient care. The procurement team at HCRG Care Group can now focus their time on large strategic projects that drive more savings for the business across different categories.



The efficiency savings we have made by consolidating our supplier list using Amazon Business means that we have more time within the procurement team to spend on projects, tenders and strategy. By reducing our supply base, we have simplified our processes, lowered cybersecurity risks and can more easily abide by NHS standards.

Alex Blatherwick
Head of Procurement
HCRG Care Group





Healthcare is complex. Buying shouldn't be.

We're improving the way healthcare organisations source and purchase products, making supply chains more efficient, streamlining contract administration, and bringing comparison-shopping to healthcare.

SIMPLIFY SOURCING

Wide selection

Access hundreds of millions of products across business-relevant categories from sellers worldwide in a one-stop shopping experience.

Reorder lists

Add, organise, and prioritise frequently purchased supplies with Reorder Lists. Quickly reorder supplies from these lists, and share lists with others.

Convenient delivery options

Set preferences to receive your deliveries when it's most convenient. Specify business hours and add instructions to help your items get to the right place.

GAIN EFFICIENCIES

Automated workflows

Easily approve staff purchases and share approved payment methods. Set guardrails with spend limits and category restrictions.

Easy reconciliation

Save time by automating reconciliation processes using line-item detail on every purchase made with eligible commercial cards.

Streamline access

Maintain the same, secure one-click experience with your SSO integrated corporate applications and centrally manage buyer access and permissions.

MAKE BETTER DATA DRIVEN DECISIONS

Analytics

Get real-time data on spending, stock-outs, and delivery so you can make smarter purchasing decisions.

Pre-built and custom reports

Use reports to identify opportunities for optimising spend such as supplier consolidation, bulk purchasing, and tax-exemptions.

Buying policies

Set buying preferences, restrictions, and custom messages on specified categories, products, or suppliers with Guided Buying and Business Prime.

The Amazon Business logo is displayed in white text on a dark blue background. The word "amazon" is in a lowercase sans-serif font with a white curved arrow underneath it, pointing from the 'a' to the 'z'. The word "business" is in a bold, lowercase sans-serif font to the right of "amazon".

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Get started today

[Contact us](#) to uncover valuable insights on your organisation's buying behaviour and make buying easy.

Visit our [healthcare procurement portal](#) to learn more.