

Negotiating purchase of medical & non-medical equipment for a leading hospital chain in Asia

Facilitating rapid expansion of the hospital chain by boosting the procurement process - with a 50% reduction in the procurement cycle



Largest multi-super specialty hospital chain in Asia, using the latest technology & infrastructure to deliver excellent healthcare at an affordable cost. Since its inception, the medical facility operates according to international standards and uses the best American practices. The up to date innovations in the diagnosis and therapy of various diseases are regularly introduced in the hospital. In addition, the hospital is constantly updating medical equipment, as well as working to maintain high standards of service. Annually by more than 20,000 patients from 15 countries visits to get treatment to this hospital chain.

The Objective

- Manual sourcing processes across various categories of purchases. Long PR-PO cycle time affecting operations. Big expansion plans including construction of new hospitals, which needed a faster procurement cycle time as well as best market costs

The Approach:

- Enterprise wide spend analysis to identify opportunities across supplier, SKU, price rationalization
- New supplier identification
- Multiple round of RFP's and Competitive bidding through auction

The Challenge:

- Doctor's preferences
- Resistance from "projects" buyers
- Fear of transparency in certain areas
- Longer supplier validation cycles for select items

COMPANY:

Largest Hospital chain in Asia

INDUSTRY:

Hospitality

TURNOVER:

\$50 Million

The Key Benefits:

- 4 new solution providers introduced
- 33% savings (\$1.5M from incumbent solution provider)
- Price reduction of 20- 50% across all suppliers
- Extended payment terms of 120 days