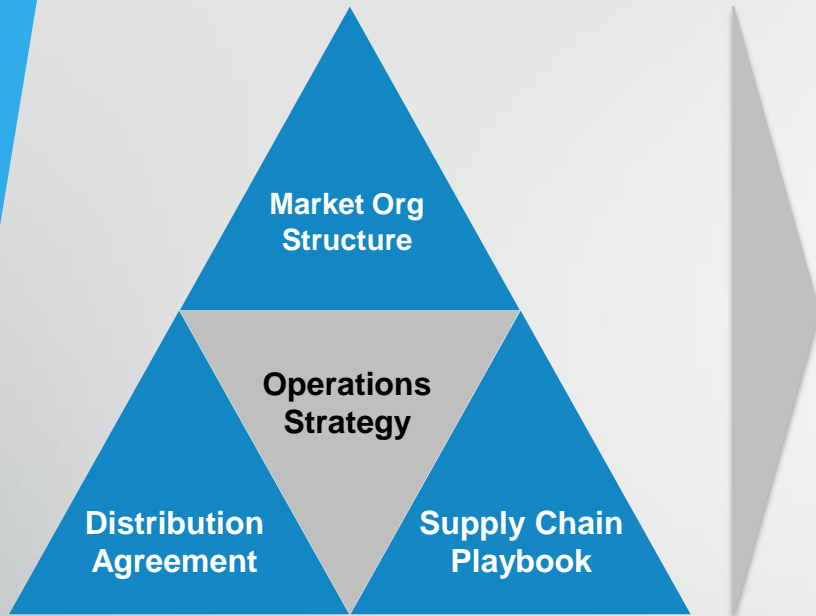




# CHI Supply Chain Transformation

April 2018



## Supply Chain Operations Strategy

The three part strategy for Supply Chain Operations at CHI was to align people, process, and technology across all regions to act as a single operating unit:

- Generating more efficient, reliable, and responsive operations
- Maintaining consistent financials
- Enhancing control points and transactional oversight
- Leveraging the scale of the organization

# The Supply Chain Playbook

## Policies

National Policies providing governance to support the activities of Supply Chain.




Supply Chain Playbook  
Version 1  
August 2016

The Supply Chain Playbook acts as the Business Transformation Guide for to align Supply Chain resources and activities to achieve the organization's objectives.

## Procedures

Detailed procedures supporting the playbook guidance to provide granular direction for the completion of daily operations.



## Supply Chain Operations Playbook Objectives

The motivation for change

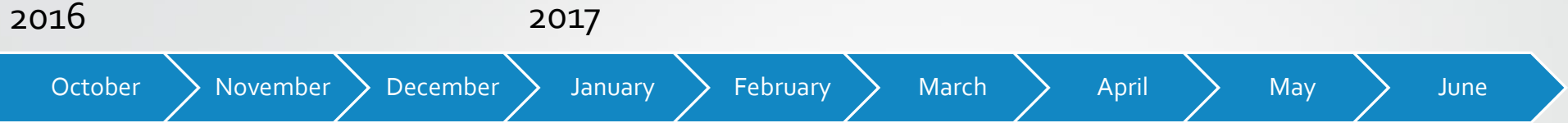
1. Clarify Expectations
2. Enhance Controls
3. Reduce Cost
4. Improve Service
5. Improve Responsiveness & Agility
6. Sustain Financial Improvement



## Playbook Content

A guide to a complex,  
multi-faceted  
transformation

- Organizational Structure
- Scope of Services
- Inventory Management
- Distribution Management
- Requisition Management
- New Product Introduction
- Vendor Management



Market Org Structure

Scope of Services

Inventory Management

Distribution Management

Requisition Management

Receiving Standards

New Product Request

Foundational Requirements Optimization



## Playbook Successes

What went well

- Highlighted control point gaps
- Opened dialogue with clinical leaders and supply chain
- Allocated dedicated resources to critical maintenance tasks
- Improved communication through role based responsibilities
- Positioned Supply Chain for influence
- Reduced cost



## Playbook Lessons Learned

What could have gone better

- Timing and coordination with HR for personnel related movements
- Achieving standards required investments in some facilities
- Containing scope to Operations
  - Faster implementation / less optimal results