

Business Process Six Sigma Partners with Long-Term Care to Increase Profitability



Companies driven to seek more robust responses to economic challenges are turning in greater numbers to the Lean Six Sigma methodology, which allow them to gain greater control over costs by improving operational efficiency. McKesson's own in-house group has improved upon the traditional Six Sigma processes by joining them with "Lean" to create a fresh, powerful approach.

McKesson is now extending its Lean Six Sigma expertise to Long-Term Care (LTC) customers through consulting services that help address their unique challenges. The consulting engagement is typically two days, involving an initial interview with the owner or executive to identify one or two desired goals for improvement, a full day of pharmacy observation, and follow up.

The elements of the engagement include:

- Agreement on key performance metrics (e.g., cost/script)
- Evaluation of order processing from end to end (e.g., how products are ordered, processed, transported, and delivered)
- Assessment of the pharmacy floor plan and how product and people travel through the facility
- Work flow analysis to identify bottlenecks and backlogs
- Study of other relevant areas

McKesson "No. 1 Best Place to Work for Six Sigma Professionals"

We practice what we preach: Six Sigma process quality resulted in an order quality of 99.96% accuracy across our distribution network in 2007.

These are just some of the reasons why McKesson was named "No. 1 Best Place to Work for Six Sigma Professionals" in 2009 by *iSixSigma* magazine.

We examine any of the following factors:

- **Transportation** — moving material or product from one place to another
- **Inventory** — material or product waiting to be processed
- **Motion** — excess movement and/or poor ergonomics
- **Waiting** — delay caused by shortages, approvals, downtime
- **Over-production** — producing more than is needed
- **Over-processing** — providing more the customer is willing to pay
- **Defect/rework** — correcting mistakes
- **Skills** — untapped or misused resources

Operational Efficiency, Shelf to Delivery

The two-day consulting engagement can be customized to your needs and priorities and will lend direction and focus to the process.

As of result of the engagement, you will receive an evaluation and report with recommendations for improvement with both easy-to-implement and comprehensive options, based on your goals. A final one-hour presentation with the Six Sigma professional gives you the ability to have a live discussion and review of results, and to identify an action plan together.

Our Six Sigma engagement supplements your clinical excellence by helping you boost your operational performance. McKesson's Business Process Six Sigma (BPSS) group helps you think about ways to sustain profitability as well as cut costs and maximize savings to optimize your long-term care pharmacy business. A more comprehensive, customized engagement can be arranged with your McKesson representative. For more information, contact your local representative.

The two-day engagement is a three-step process:

1. Identify pharmacy goals
2. Observe, interview, and analyze workflow
3. Deliver report, recommendations, and action plan

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