

Mixed Strategies Involving Integrations and Collaborations Are Essential for Supply Chain Resiliency Finds JMIR Formative Research Publication

On June 15, 2022 | Edit This



Source: Freepik

Copyright: rawpixel.com

URL: https://www.freepik.com/free-photo/nurse-looking-medical-supplies_18642322.htm

License: Licensed by JMIR

A recently published study (<https://formative.jmir.org/2022/6/e35317/>) suggests that health systems need a mixed integrative and collaborative redesign strategy to build a resilient supply chain while minimizing costs and complexity, and making it responsive enough. The research team at the Health Administration Research Consortium at the University of Colorado Denver studied the strategies used by major health systems around the United States to address current and future supply chain challenges. Their article titled "Integration vs Collaborative Redesign Strategies of Health Systems' Supply Chains in the Post-COVID-19 New Normal: Cross-sectional Survey Across the United States" found that health systems decide how to adapt to variability in their supply chain based on the severity of supply chain disruptions.

Resilient supply chains will avoid disruptions to put patients at risk if essential supplies are not available when needed. After the pandemic, building resilient supply chains are essential for health systems. The lesson from the pandemic is that the traditional ways of managing organizations, people, activities, and information for the supply of products and services need a revisit. Health systems have at least two approaches to build the supply chains. First, create a broader net of supply chain collaborations so that if one artery of the chain stumbles, there are two standby chain options to depend on. Second, do not depend on the outside supply chain and build a solid integrated and in-house supply chain as much as possible.

The challenge with the collaborative and integrative supply chain redesigns is multifarious. First, building a substantially collaborative supply chain with multiple options involves enormous costs. Second, substantial collaborative efforts are also complex to manage. On the contrary, integration consists of a make versus buy trade-off decision; lately, making anything in-house is not advisable for globally networked and sourcing options. After the outbreak of COVID-19, many health systems immediately invested in supply chains to find a temporary fix with support from quick funding. However, as the funding is phased out, the cost and complexity aspects of managing the supply chain while maintaining resiliency is emerging as a new challenge.

Former health system chief financial officer and study coauthor Dr Jeff Helton (who also coauthored a textbook on operations and supply chain management) says, "Complicated supply chain networks work for some organizations, but with that complication comes some risk. Growing organizations might try more sophisticated strategies, but in a stable state, organizations want to keep it simple."

Dr Jiban Khuntia says, "This study can help health systems leaders learn how other organizations have adapted their supply chain strategies to deal with the unpredictability and risk in today's post-pandemic world."

The authors note that increased spending does not necessarily result in a better or more resilient supply chain, but orchestrating the funding with proper strategies will do so. While high spending and ineffective strategies will lead to inefficient solutions, low spending and highly effective strategies may lead to a resourceful, agile, and comprehensive solution to the supply chain problems. A highly resilient supply chain may need both (ie, a very committed collaborative effort with enormous spending), but it is not prudent to do so given their social, cost-effective, and nonprofit orientations, possibly with limited budgets. On the other side of the spectrum, ineffective strategies and low spending on supply chains will keep the health systems prone to disruptions.

The reality is that less than 50% of health systems are on this mixed strategic path. Others need to wake up and revisit and reorient their strategies accordingly. In other words, along with spending, appropriate strategic maneuvering will help the health systems to build a resilient supply chain—the sooner health systems understand and act on this, the better off they will be.

Dr Stacey, a coauthor of the study, was the previous CEO of several health systems and currently directs the [health administration programs](#) at the University of Colorado Denver. He is also a Partner at Guidehouse Consulting. Dr Stacey gives a cautionary note that supply chain disruptions will persist. "In my consulting work, I see first-hand the ongoing supply chain issues with which health systems across the country continue to wrestle. The balancing act of global vs. local and cost vs. efficiency is not easy for health systems. Realizing that a trade-off exists and mixed strategies can be beneficial should drive executives to at least think about the available options."

Dr Xue Ning, a former PhD student at the University of Colorado Denver and a current Assistant Professor at the University of Wisconsin-Parkside, believes that "this study shows the factors that are associated with health systems' supply chain strategies choices as well as the potential outcomes of these supply chain strategic choices. The findings of this study inform health systems when making supply chain-related decisions and making efforts toward success through supply chain strategies."

Frances Jana Mejia, a Health Administration MBA candidate, Graduate Research Fellow at the Health Administration Research Consortium, and coauthor of the paper, observed that "healthcare organizations often operate in unpredictable environments. They also face several public health emergencies, such as the COVID-19 pandemic. Existing operational inefficiencies, paired with the critically low supplies, lead to several problems, including closures. Health system executives and leaders can draw insights from this study to increase risk management and foster resilience through new and innovative strategies that streamline operations and enhance patient outcomes."

This study uses data from the [Health Systems Climate Survey](#). The [Health Administration Research Consortium](#) at the University of Colorado Denver, in collaboration with [Guidehouse](#), focuses on understanding current health system challenges and proposing solutions usable by industry executives.

Original article:

Khuntia J, Mejia F, Ning X, Helton J, Stacey R. Integration vs collaborative redesign strategies of health systems' supply chains in the post-COVID-19 new normal: cross-sectional. JMIR Form Res. 2022;6(6):e35317

URL: <https://formative.jmir.org/2022/6/e35317/>

DOI: [10.2196/35317](https://doi.org/10.2196/35317)

Previous Post: [External collaborative strategy to recruit has the potential to foster diversity and inclusion in the health care workforce, a JMIR published study suggests](#)

Next Post: [Mobile App Successfully Tested With Veterans Seeking to Reduce Their Alcohol Consumption Now Available to the Public](#)

Q Type Search Term ...

Recent Posts

- [Journal of Medical Internet Research | Blood Pressure Monitoring, a Digital Tool for Diabetes](#)
- [JMIR Serious Games | Virtual Reality Balance Training for Parkinson Disease](#)
- [JMIR Infodemiology | COVID-19 and Vitamin D Misinformation on YouTube: Content Analysis](#)
- [JMIR mHealth and uHealth | Remote Automated Blood Pressure Monitoring With Wearable Tech](#)
- [JMIR Cardio | Impact of a Mobile App on Participation in Cardiac Rehabilitation](#)

Archives

- [August 2022](#)
- [July 2022](#)
- [June 2022](#)
- [May 2022](#)
- [April 2022](#)
- [March 2022](#)
- [February 2022](#)
- [January 2022](#)
- [December 2021](#)
- [November 2021](#)
- [October 2021](#)
- [September 2021](#)
- [August 2021](#)
- [July 2021](#)
- [June 2021](#)
- [May 2021](#)
- [April 2021](#)
- [March 2021](#)
- [February 2021](#)
- [December 2020](#)
- [November 2020](#)
- [October 2020](#)
- [September 2020](#)
- [August 2020](#)
- [June 2020](#)
- [May 2020](#)
- [April 2020](#)
- [February 2020](#)
- [May 2019](#)
- [April 2019](#)
- [January 2019](#)
- [December 2018](#)
- [November 2018](#)
- [October 2018](#)
- [July 2018](#)
- [May 2018](#)
- [March 2018](#)

Categories

- [Industry News](#)
- [Job Postings](#)
- [Press Releases](#)
- [Uncategorized](#)