

Region 1 Laboratory Purchasing Process

THE PROCESS

Each year, the Region 1 Office of Environmental Measurement and Evaluation (OEME) makes between 500 – 600 small purchases to acquire necessary laboratory and field supplies, equipment, and services. This event examined the OEME process from identification of the need for an item through completion of the purchase transaction.

IMPROVEMENT OPPORTUNITY

The Region initiated the project to increase efficiency as the process team reduced from three people to one person, and to prevent errors created by handwritten orders. The small purchases process was inefficient, with many duplicate purchases for a single item often being placed during a short period of time. The process was also unevenly distributed across the year, with bottlenecks during peak ordering months.

Goals:

1. Streamline the process to identify, review and approve purchases – especially for acquisition of regular, routine laboratory supplies.
2. Develop a standard, electronic order, approval and tracking system.
3. Reduce the number of individual purchases by 20 percent.
4. Evenly distribute purchasing workload across all months of the fiscal year.

KEY RESULTS & OUTCOMES

The Lean team identified the following improvements to the laboratory purchasing process:

- ▶ Automate the order form so that all information is standardized and submitted to purchasing correctly.
- ▶ Set up a visual inventory system for commonly ordered supplies.
- ▶ Provide the purchasing agent with a list of personnel who work in the same lab area so that their purchases can be bundled.
- ▶ Reduce review steps for items that are required to be ordered on a regular basis, such as standards.



Visual Inventory System Labeling Small, Medium, Large, and X-Large Disposable Gloves

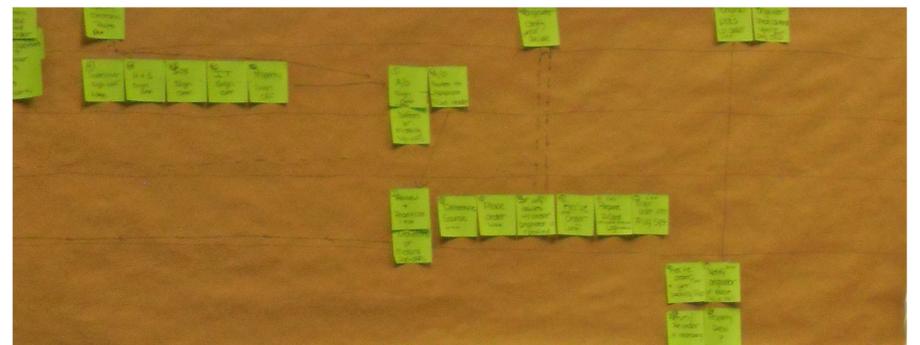
Metric	Old Process	New Process	Percent Change
Days to Complete an Order	12	5	↓ 60%
Number of Process Steps	27	16	↓ 40%

Results are anticipated based on the new process design

Event participants created a new process that will combine similar purchases into fewer, larger purchases; will transfer all orders to an electronic system; and will reduce the number of days to complete an order by sixty percent. As a result of the implementation of these improvements, errors in the lab purchase forms have been reduced by 50 percent.



Current process map



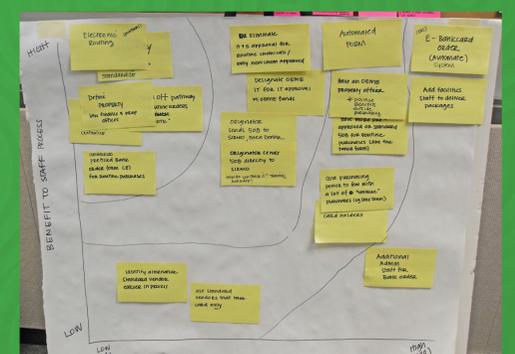
Future process map



Left to right: Phil Warren, Kathy Ivanoski, Donna Beecy, Bhavita Patel, Ernie Waterman, Tim Bridges

EVENT TEAM

- Lean Leader: Danielle Gaito
- Team Leader: Ernie Waterman
- Team Champion: Art Johnson



Prioritization graph