



“With mySAP SRM we have an electronic ordering system that can function as a model for university hospitals throughout Bavaria.”

Dr. Heinrich Müller, Head of Administrative IT Operations,
Munich University Hospital

AT A GLANCE

Summary

The Munich University Hospital (KUM), one of the top three university hospitals in Germany, implemented the mySAP™ Supplier Relationship Management (mySAP SRM) solution to streamline procurement of medical supplies and equipment. SAP® Consulting came on board to ensure a smooth implementation.

Web Site

www.klinikum.uni-muenchen.de

Key Challenges

- Reduce high purchasing costs
- Eliminate paper-based procurement methods to reduce redundancies and errors

Project Objectives

- Implement a standardized electronic procurement system throughout organization
- Provide advanced technology, such as bar code-based purchasing

Solution and Services

- mySAP SRM
- SAP Consulting, for high-quality, professional implementation services

Why SAP Solution

- Fulfills most of KUM's requirements without customization
- Easily integrates into existing SAP environment and enables hospital to leverage existing SAP technology
- Supports hospital's future needs
- Eliminates need for costly interfaces

Why SAP Service

- Software and consulting skills from a single source
- Reliable pool of experts with strong skill sets and experience
- Close link between consultants and developers

Implementation Highlights

- Go-live of pilot installation for 4 care units in only 7 months
- Gradual rollout for some 2,000 employees
- On schedule and within budget (first phase)

Key Benefits

- Major reduction in process costs (an estimated €87,000 per year)
- Streamlined procurement processes, saving employees time
- Improved ability to monitor and regulate buying behavior

Implementation Partner

SAP Consulting

Existing Environment

SAP R/3® software, now available in the mySAP ERP solution

Database

Oracle 9i

Hardware

Fujitsu Siemens Computers
RX300

Operating System

- Microsoft Windows 2000
- Linux

MUNICH UNIVERSITY HOSPITAL

mySAP™ Supplier Relationship Management Helps One of Germany's Largest University Hospitals Streamline Procurement

One of the greatest challenges facing any healthcare organization is how to keep a lid on costs. The Munich University Hospital (KUM), one of the top three university hospitals in Germany with some 2,500 beds, has risen to this challenge by radically overhauling its processes for procuring medical supplies and equipment. In four care units dispersed throughout the city, including its clinic in the Grosshadern district, the hospital's vision of managing procurement online has now become reality. By implementing the mySAP™ Supplier Relationship Management (mySAP SRM) solution, KUM was able to say goodbye to costly paper-based procedures and inefficient processes caused by the use of homegrown software.

Considerable Savings

According to Dr. Heinrich Müller, head of administrative IT operations at KUM, the switch will be well worth it. He estimates that the hospital will save process costs of €87,000 per year. But that's not the end of the story: During the pilot phase, some 300 employees went live with the system, but ultimately all the hospital's clinics, institutes, and laboratories will process purchase orders online. Some 2,000 nursing staff, pharmacists, administrative employees, and technicians will then be able to order drugs, office materials, cleaning materials, nondurable goods, and technical services at the click of a mouse.

Support from “Impressive” SAP® Consulting Team

It will be some time before mySAP SRM is up and running in all units. At the moment, the final phase is scheduled for 2006. However, it took only seven months to complete the initial installation of mySAP SRM, due in large part to professional support from SAP® Consulting. “Highly efficient and impressive” is how Müller describes the SAP consultants, noting their professionalism and high level of commitment. Project leader Jürgen Busse, manager of the supply and logistics department at KUM, agrees. “The consultants satisfied all our expectations in terms of know-how, experience, and flexibility,” he says. “And by having direct access to the SAP development team, they were able to solve problems quickly when needed.”

Integrated Bar Code Technology

By introducing mySAP SRM, KUM can eliminate the use of paper forms, time-consuming approval procedures, and redundant data entry throughout its entire organization. For example, because mySAP SRM is seamlessly integrated with an existing scanner solution, employees can use bar code technology to

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Jürgen Busse, Project Leader and Manager of the Supply and Logistics Department, Munich University Hospital

simplify procurement tasks. They simply scan the item’s bar code, enter the quantity, and place the order in the mySAP SRM shopping cart. Similarly, users can easily access the mySAP SRM-based online catalog that lists more than 90,000 items containing material master data derived directly from the SAP software for materials management. Users also have the option of formulating purchase orders with predefined text.

Automated Approval for Purchases

After the items are ordered and placed in the electronic shopping cart, they are then automatically sorted by the mySAP SRM software. Müller calls this customized function the “shopping cart split.” Based on the material master number, the system automatically assigns each item to the appropriate approval workflow. This means that the staff members responsible for authorizing purchases – such as care unit managers and physicians – only receive purchasing requests relevant to them. Once approved, the orders are sent either to the pharmacy’s materials management system or to the purchasing department, depending on the type of item requested. In addition, the integrated status-tracking capability allows all purchasers to view the status of their orders at any time.

Benefits All Around

Everyone involved in the process benefits: from nursing staff, who can enter requests for items using bar code scanning technology, to pharmacy staff, who receive the approved requests for pharmaceutical products online – all the way through purchasing department employees, who enjoy quick and easy access to order information. In addition, the IT team no longer has to deal with complicated interfaces to link purchasing processes with materials management and accounting processes. Busse summarizes the main benefits of the SAP solution: “mySAP SRM helps us reduce process costs, accelerate throughput times, and ease the burden on our staff.”

The hospital next plans to link its suppliers to the mySAP SRM procurement platform, a move that will further optimize processes and reduce costs at KUM.

Müller is fully satisfied with the hospital’s mySAP SRM-based procurement system, which he feels will set an example for other institutions. “With mySAP SRM we have an electronic ordering system that can function as a model for university hospitals throughout Bavaria.”