

BPS Supply Chain Secretariat

Ministry of Finance
Office of the Budget and Treasury Board

December 7, 2012

Ontario's Commitment to Supply Chain Transformation

- Provides leadership in promoting fair, open and transparent procurement to support the government priority of ensuring more effective, accountable public spending and maximize value for taxpayers money
- Established or expanded 9 hospital and 1 education sector purchasing collaboratives
- Ontario is the only province in Canada with a dedicated program designed to champion and transform BPS supply chain leading practices

MANTRA

Government Guided | Line Ministry Supported | Sector Driven

Continued Support in 2012

“...BPS bodies...should continue to find ways to create savings and efficiencies through collaborative procurement. ”

Drummond Report 2012

“the government will continue pursuing savings and efficiencies across the BPS by leveraging or further capitalizing on existing collective purchasing capacity and working with health care institutions, school boards and postsecondary institutions to develop participation targets for collaborative procurement.”

Ontario Budget 2012

Procurement Transformation

— Traditional Procurement—

- Some collective efforts, but fragmented purchasing is the norm
- Different and inconsistent procurement processes
- Limited standardization of products and services
- Limited use of metrics and standards



— Collaborative Procurement —

- Strategic purchasing with focus on total value and quality
- Increased standardization of products
- Collaborative purchasing to drive improvements in supply chain management and service delivery
- Reduced duplication of procurement processes and more efficient use of resources across organizations
- Increased cooperation among sector partners
- Improved performance management and measurement



Transformation

Transformation Support: OntarioBuys Program Funding

- Ontario BPS institutions, their shared service organizations, other supporting institutions and associations are eligible for funding under the OntarioBuys program.
- To be eligible, projects must:
 - align with provincial government priorities and other sector initiatives
 - support the development, growth and sustainability of integrated supply chain management and other back office functions across Ontario's BPS
 - have elements of the project that are transferable across the sector or applicable to other BPS sectors; and
 - demonstrate sustainable benefits to the BPS resulting in operational efficiencies and measurable cost savings.

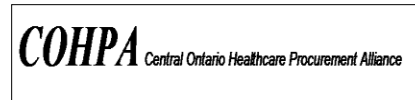
Shared Service Organizations



•11 hospitals



•15 hospitals



•11 hospitals



•5 hospitals



•11 hospitals

OECM

•More than 100 participating school boards, colleges and universities

South West LHIN


•19 hospitals

Champlain Sourcing & Logistics

•9 hospitals

Northwest Supply Chain

•13 hospitals



•7 hospitals

Initiative Designed to Accelerate Change

GOAL

- To reduce the total cost of goods and services procured by the BPS through a coordinated, collaborative and evidence based approach to procurement

OBJECTIVES

- Increase the level of collaborative procurement through the setting of participation targets
- Increase coordination across the BPS in the areas of strategic sourcing, contract management and product/process standardization
- Expand existing collaborative procurement capacity

Developmental Services & OECM

Developmental Services & OECM Project

CONCEPT

- To connect the Developmental Services Sector with OECM Contracts

APPROACH

- Resource to assist in determining contracts worth signing from a volume, return basis
- No cost to DS sector, other than internal cost associated with providing/reviewing data and signing the contract
- Track opportunities/categories that OECM does not cover

Questions?

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