

Making resiliency a winning strategy in healthcare



Resiliency Badging Program Overview

A definitive answer to **is my supplier resilient?**

HIRC Resiliency Badge Program



What is it?

A new healthcare industry standard and evidence-based assessment that evaluates supplier resiliency at a product category level.



Our Mission

With substantial industry focus on supply chain resiliency, the badge aims to build and enhance resiliency through partnership.



Problem Statement

Prior to this initiative, the healthcare industry has lacked a transparent and credible way to identify high-reliability suppliers.



Value

The badge provides proof of supplier resiliency and enables providers to select for this competency commercially.

Our Impact



1) Enable providers to more readily select suppliers with demonstrated resiliency



2) Enable suppliers to better compete on the merits of resiliency



3) Reduce redundancy in evidence gathering



4) Increases partnership

Best-in-Class Inside-Out Analysis

What healthcare does today

“need to perform well in benchmarks and demonstrate improvement in gap areas”

Resiliency Badge Program

“strengths drive differentiation, and sustaining those strengths drives innovation”

Outside-In

Focus on comparative benchmarking to identify leaders/underperformers

Can result in misalignment between strategic goals and organizational capabilities

Pushes towards homogeneity by focusing on benchmarks/scores

Unclear data requirements across suppliers

Inside-Out

Focus on identifying supplier’s strengths & opportunities for improvement/optimization

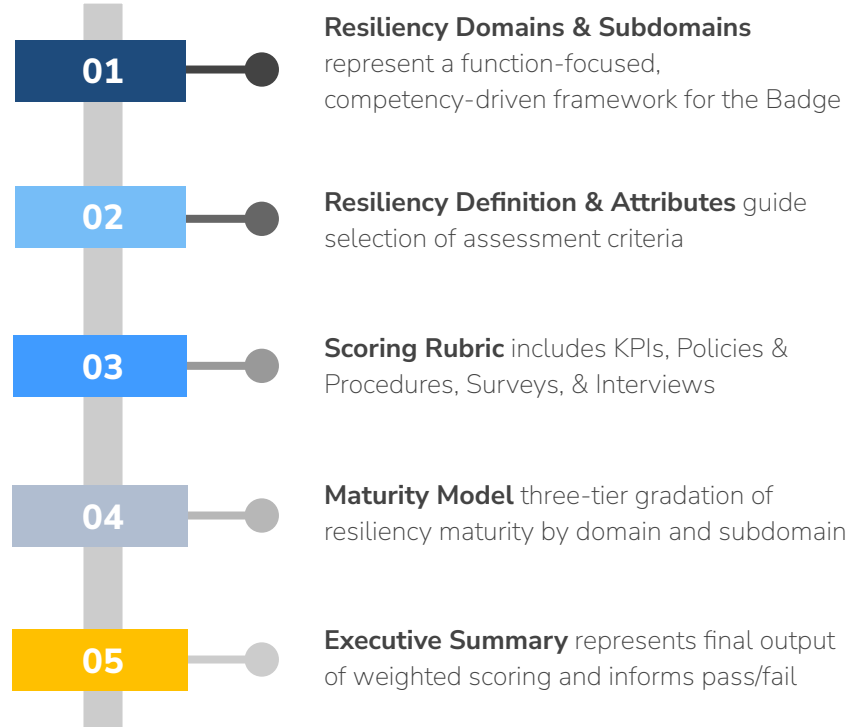
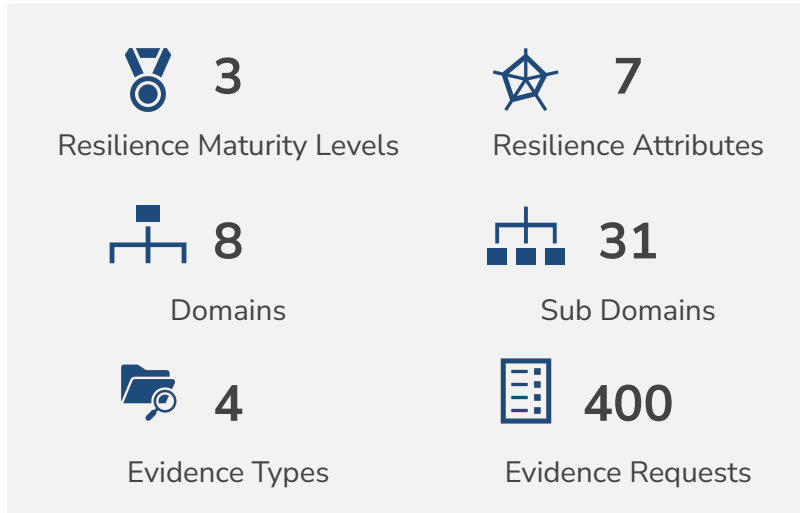
Drives differentiation and growth, aligned to organizational processes & capabilities

Sets tone for innovation by reinforcing suppliers’ strengths







Self-contained, independent data approach with high security

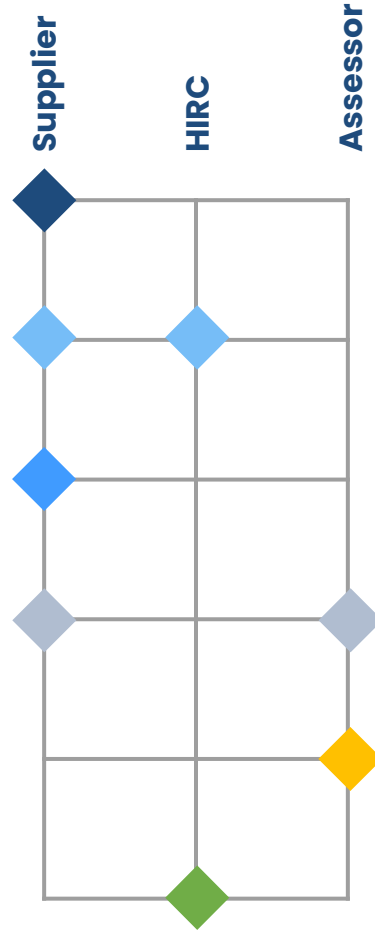
Program Approach

Resiliency Badge Program is a robust inside-out assessment to identify supplier resiliency maturity across domains using various types of assessment evidence



Assessment Process

-  Application completed
-  NDA and SOW signed
Pre-assessment Kick-off
-  Completion of Pre-Flight Checklists
Fulfillment of Data Requests
-  Completion of Surveys & Interviews
Incremental Data Requests
-  Completion of Scoring Rubric
Executive Summary
-  Badge determination (Y/N)
Remediation opportunity (if needed)



Industry-wide Effort

HIRC community was created coming out of the pandemic to address the need for **greater collaboration, visibility and resilience**. A founding principal of HIRC is doing this work together. HIRC is establishing the resiliency badge as a common framework for providers to understand the resiliency maturity of trading partners.



Thank you resiliency badge program designers!



What are Providers saying?

9 out of 10 provider leaders in HIRC say “yes” to the following:

The resiliency badge will have a meaningful impact on:

Bids and Awards



Annual Review



**Elimination of
duplicate
information
requests**



Suppliers: What to expect?

Robust Inside-Out Assessment

Artifacts include key performance indicators (KPIs), policies & procedures, survey responses, and interviews. These key data requests provide the foundation to conduct an in-depth diagnostic of an organization's resiliency.

Data Management & Security

Privacy, security and confidentiality are stringently protected. All data is managed via a secure third-party SaaS. Suppliers have sole control over data sharing.

Supplier Ask

- *Invest in operational resiliency and risk management to protect continuity of patient care*
- *Differentiate yourself in the market by earning the resiliency badge*



Timeline: 4 weeks



Cost: Standard pricing: \$85k
Member pricing: \$75k



Employees:

1 FTE to coordinate internally
Fractional FTEs across domains/
BUs to address assessment

Risk Domains

Demand Planning

(e.g. Demand Variability)

Inventory Management

(e.g. Target Inventory Levels
& Safety Stock Management)

Logistics

(e.g. End To End Network Design)

Supply Chain Visibility

(e.g. Extended Supply Chain Mapping)



Supplier Management

(e.g. Supplier Performance Management)

Risk Management & Contingency Planning

(e.g. Enterprise Risk Management)

Operational Health

(e.g. Performance Metrics & Management)

Market

(e.g. Market Stability)

Badge covers the science of resiliency

1. Demand Planning	1.1 Demand Variability Mgmt	1.2 Collaborative Planning	1.3 Demand Agility	1.4 Channel Strength
2. Inventory Management	2.1 Target Inventory & Safety Stock	2.2 Lead Time Mgmt	2.3 Capacity Mgmt	2.4 Stockout and Backorder Mgmt
	2.5 Redundancy, Optionality	2.6 Inventory Accuracy		
3. Logistics	3.1 Warehouse	3.2 End-to-End Network Design	3.3 Carrier & Vendor Mgmt	
4. Supply Chain Visibility	4.1 Extended Supply Chain Mapping	4.2 Extended Supplier Collaboration	4.3 Tracking & Tracing Mgmt	4.4 Organizational Fulfillment
5. Supplier Mgmt	5.1 Supplier Performance Mgmt	5.2 Quality Mgmt	5.3 Supplier Geographic Diversity	5.4 Supplier Qualification
6. Risk Mgmt & Contingency	6.1 Enterprise Risk Mgmt Strategy & Process	6.2 Business Continuity Planning & Mitigation	6.3 Risk Identification & Awareness	6.4 Third Party Risk Mgmt
	6.5 Supply Chain Event Monitoring	6.6 Product Recalls		
7. Operational Health	7.1 Performance Metrics	7.2 Process Efficiency & Critical Workflows	7.3 Data Governance & Mgmt	
8. Market	8.1 Market Stability			

Example Qs



What mechanisms are in place to adjust production and supply chain operations rapidly in response to **changing demand patterns**?



How does the SOP define clear procedures for preemptively identifying and managing **stockouts and backorders**?



How does the supply chain network design account for **potential disruptions**, such as natural disasters or supplier issues?



Provide details of an SOP outlining the process for conducting **extended supply chain mapping**, including the data collection methodology and tools used.



Does the organization have a documented process for assessing and managing supplier geographic and industrial **concentration risks**?



Does the organization's Business Continuity & Mitigation Planning process have a strategy to formalize **after-incident learnings**?



What KPIs does the organization feel are most emblematic of **resiliency planning and monitoring**?



How are **contingency plans** developed to manage supplier disruptions and ensure continuity?

Value Proposition

Providers



obtain **standardized evidence** of resiliency of strategic trading relationships



gain confidence that your supplier has the capability to deliver critical products reliably



enable efficiency by not having to investigate and gather data independently

Suppliers



differentiate yourself in the marketplace with proof of resiliency



enable efficiency by reducing one-off data requests



demonstrate strengths and innovations & identify opportunities for future growth

Why is HIRC building a resiliency badge program?

“The industry has lacked a transparent and credible way to identify high reliability suppliers, which has meant no commercial consideration is given to resilience today.”

- Bill Selles, SVP, Corewell Health

“A founding principal of HIRC is doing this work together, both providers and suppliers in a way that both partners have a voice and achieve their business objectives in an efficient and balanced manner.”

- Tom Harvieux, CSCO, BJC HealthCare



Why does the resiliency badge matter in healthcare?

“Every day healthcare providers are forced to utilize substitute products on little notice. We need high reliability, and we need to reward reliable suppliers with greater market share.”

- Bill Selles, SVP, Corewell Health

“A big part of this effort is to prevent the market from fragmenting. Should this occur, suppliers can expect numerous and likely more complicated expectations arising.”

- Tom Harvieux, CSCO, BJC HealthCare



How does your organization plan to operationalize the badge?

“The resiliency badge will play an important role in our strategic sourcing criteria for critical products. We will incorporate in business reviews and performance expectations.”

- Jim Francis, CSCO, Mayo Clinic

“The badge will become part of our quarterly review conversations, and will begin to be considered when awarding agreements in critical categories.”

- Eric Morrison, System VP, CommonSpirit Health



What is the value proposition to providers and suppliers?

“Suppliers who adopt the badge should be able to credibly market the products differently than their competitors.”

- Bill Selles, SVP, Corewell Health

“The resiliency badge more clearly identifies the level of resiliency maturity in healthcare supply chains; incorporates resiliency as a key factor in sourcing decisions for the industry; and reduces the burden of performing evidence gathering by standardizing expectations.”

- Jim Francis, CSCO, Mayo Clinic



Learn More

Click below to visit the
Resiliency Badge Program page



Providers and Suppliers

Stronger Together

hircstrong.com