

CASE STUDY

MANAGING INVENTORY IN A MODERN PRACTICE

Practice Overview

Annual Revenue: \$1.7 million

Annual Growth: 15 percent

Doctors: 3

Active Client Base: 4,118

Support Staff: 11

Region: Pacific Northwest, USA

Case Background

This regional veterinary practice is located in the Pacific Northwest of the United States and has recorded revenue in excess of \$1.7 million per year, averaging 15 percent annual growth over the last three years. Like many hospitals its size, managing inventory was an ongoing challenge that continued to compound as the practice expanded.

Over time, the practice manager and doctor we're unable to utilize existing systems to fix the issue, resulting in an unstable and inefficient inventory process that negatively affected business operations. Hospital staff and Doctors grew increasingly frustrated with the situation, leading to decreased staff morale, inflated inventory costs and reduced net productivity.

CORE PROBLEM: IMPROVING INVENTORY MANAGEMENT SYSTEMS AND PROCESSES

Solution

To begin identifying the issue, an iVET360 Data and Analytics (DA) team used metrics from comparable hospitals as benchmarks to diagnose problem areas within the inventory management system and its auxiliary processes. While DA identified the underperforming areas, a Staff Training and Development (TD) Manager diagrammed the existing inventory management system. These two analytical components were compared to construct custom inventory management best practices based on practice-specific data.

Staff Training and Development concluded that current inventory counting methods were an ineffective use of staff time. The process was streamlined to focus on managing designated "superproduct" inventory (tick and flea control, heartworm medication, etc.), while increasing the acceptable margin of error for daily counts of less important items, reducing the stress on staff members.

Results

Within 30 days of best practices implementation, issues decreased significantly. Direct results included more efficient inventory management, reduced overhead and more effective material purchasing. Hospital staff satisfaction grew as occupational stress from the previous system was reduced. This contributed to a positive cultural shift in the workplace, improving productivity and motivation.

These tailored best practices were then presented to the Doctors for approval. Once delivered, the iVET360 TD manager worked closely with the practice manager and staff to properly implement the new system and monitor the process to ensure transitional accuracy.

KEY PERFORMANCE INDICATORS

- **Reduced annual inventory costs by 8 percent**
- **Lowered error rate on daily inventory counts by 90 percent**
- **Increased staff inventory management proficiency**
- **Positive staff satisfaction polling**