# Case study

Introducing innovation procurement methods: Rawicz County Hospital, Poland

#### **Overview**

Rawicz County Hospital is a 200 bed hospital serving a population of about 69,000 in the west of Poland.

The hospital Board faces a major challenge: it needs to secure funding for, and complete a programme of refurbishment by the end of 2016 in order to meet legal infrastructure standards and patient expectations for a high quality clinical environment. Over the past decade Rawicz hospital has carried out remedial and refurbishment works to some parts of the site to improve energy efficiency, but with mixed outcomes. The CEO recognised the need for a new approach, and participation in the LCB-HEALTHCARE network provided the incentive and support needed to explore if and how innovation procurement methods could be used effectively in Poland.

A pilot innovation procurement project was identified concerning the purchase of hospital uniforms.

## **Background**

Healthcare units in Poland have traditionally conducted procurement by drawing up detailed specifications and selecting on lowest price. The concept of outcome based specifications and whole life-cycle costing were largely unknown, and it was initially difficult for Rawicz employees to understand the principles of innovation procurement.

With the support and guidance of the LCB-HEALTHCARE Team, the project coordinator introduced innovation procurement ideas and methods to the Rawicz team. Peer learning visits to LCB partners at the Erasmus University Medical Centre, Nottingham University Hospitals, and



The renovated entrance to Rawicz Hospital

Rotherham Hospital allowed staff to overcome their concerns about adopting a new approach, understand the benefits of new procurement techniques, and make direct contact with supply chain representatives.

## A new approach to procurement

The Rawicz project team began by consulting the nurses who would wear the new uniforms. Staff were asked what they liked or didn't like about their uniforms and to suggest improvements. This proved to be an empowering and novel experience for staff, which resulted in feedback that informed the outcome based specifications:

"For the first time the end users of the uniforms had a chance to influence the procurement and they came up with some excellent ideas, for example suggesting that buying single piece uniforms instead of traditional ones would save money."

**Agata Grudzień** LCB-HEALTHCARE Project Assistant, Poland

The user consultation gave the project team some clear, well-defined parameters that formed the basis of the outcome based specification. The new uniforms had to be functional, attractive, user friendly, easy to clean, durable and cost effective. An outcome based specification gave the supply chain the opportunity to respond on quality, durability, functionality and whole life costs.

The project team recognised that creating a wider market demand would encourage a good response from suppliers. They therefore contacted other hospitals, healthcare centres, associations and the LCB-HEALTHCARE network, and explained to them how it was changing its approach to the procurement of uniforms and was looking to stimulate an innovative response from potential suppliers. Eight hospitals employing over 13,000 people declared that they were interested in learning the results of the Rawicz hospital pilot project, and this was included in the advert prepared by the hospital.

"It is amazing what positive feedback we got from other healthcare units about the innovative procurement of hospital uniforms. Twelve other hospitals have declared they wanted to learn from us and use the know-how we will develop in their own procurement scheme."

> **Marcin Kautsch** LCB-HEALTHCARE Pilot Project Coordinator, Poland



### A new approach to procurement

The hospital pro-actively communicated its needs and market requirements to potential suppliers and an open meeting was held with potential suppliers. Feedback from suppliers was most positive and the open specification gave them an opportunity to differentiate their products on factors other than price.

Hospital staff welcomed the opportunity to test the offering of the preferred supplier and this phase identified a number of advantages of the fabric proposed for the new uniforms: it was resilient during the washing process, quicker to dry, less prone to staining and received general approval for quality and functionality. The testing phase also included discussions with the suppliers, which resulted in changes to the style and cut of the uniform.

"It is anticipated that the new 'user-friendly, low carbon and sustainable' staff uniforms will cost 10-15% more but deliver a whole life cost saving of more than 20%, and, importantly, are preferred by our nurses."

### Renata Pazoła

Procurement Officer, Rawicz Hospital

Becoming a member of the LCB-HEALTHCRE project induced the need for major change in the approach to procurement. In the past all procurements were carried out in the same way and in common with all other healthcare units in Poland. That is detailed specifications were drawn up and selection was based mainly on lowest price. The concepts of outcome based specifications and whole-life cost were not previously known. In the pilot project, the evaluation criteria looked first of all at factors other than price and at the whole life benefits and links with the hospitals environmental objectives.

#### **Outcomes**

The procurement process used the competitive dialogue method and for the first time, the evaluation criteria used factors other than price, including whole life benefits and links to the hospital's environmental objectives.

"Finding an innovative fabric for our uniforms was a big success. And, against all appearances, it was not actually that difficult. You just have to be clear about the outcomes you need by talking to the end users and then let suppliers know."

#### Renata Pazoła

Procurement Officer, Rawicz Hospital

In October 2012 Rawicz signed an initial contract with a local company that offered to supply clothing made of a mixture of polyester and tencel (a Eucalyptus based product). The winning tender was chosen on the best whole life cost, and demonstrates considerable savings arising from, for example, reduced laundering costs and reduced turnover.

## **Key Features**

- Peer learning exchange
- User consultation
- Outcome based specifications
- Supplier engagement
- Product demonstration and testing
- Ecological evaluation
- Whole-life costing

#### Contact

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Find out more about these and other innovation procurement initiatives at:: http://lowcarbon-healthcare.eu email: info@lowcarbon-healthcare.eu

