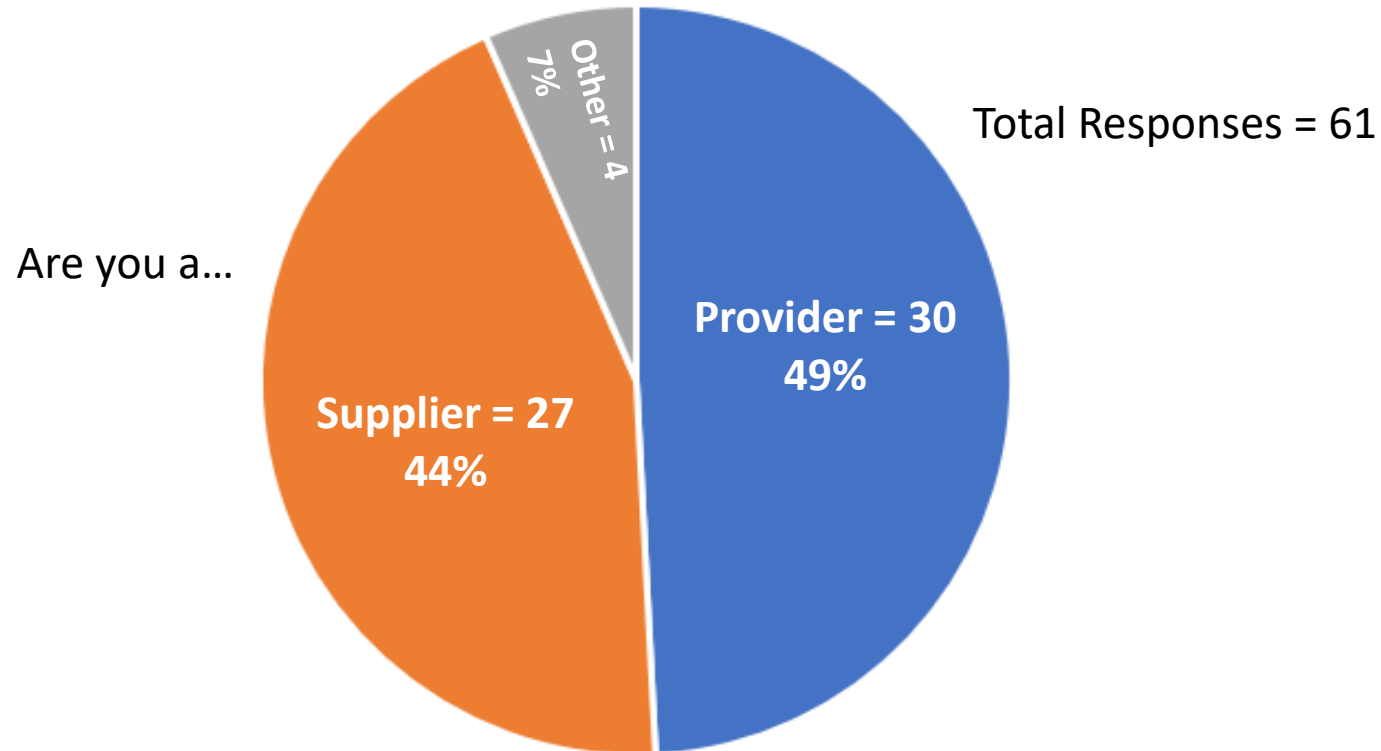




January 11, 2021 Quick Quiz Results

Budget Priorities for 2021

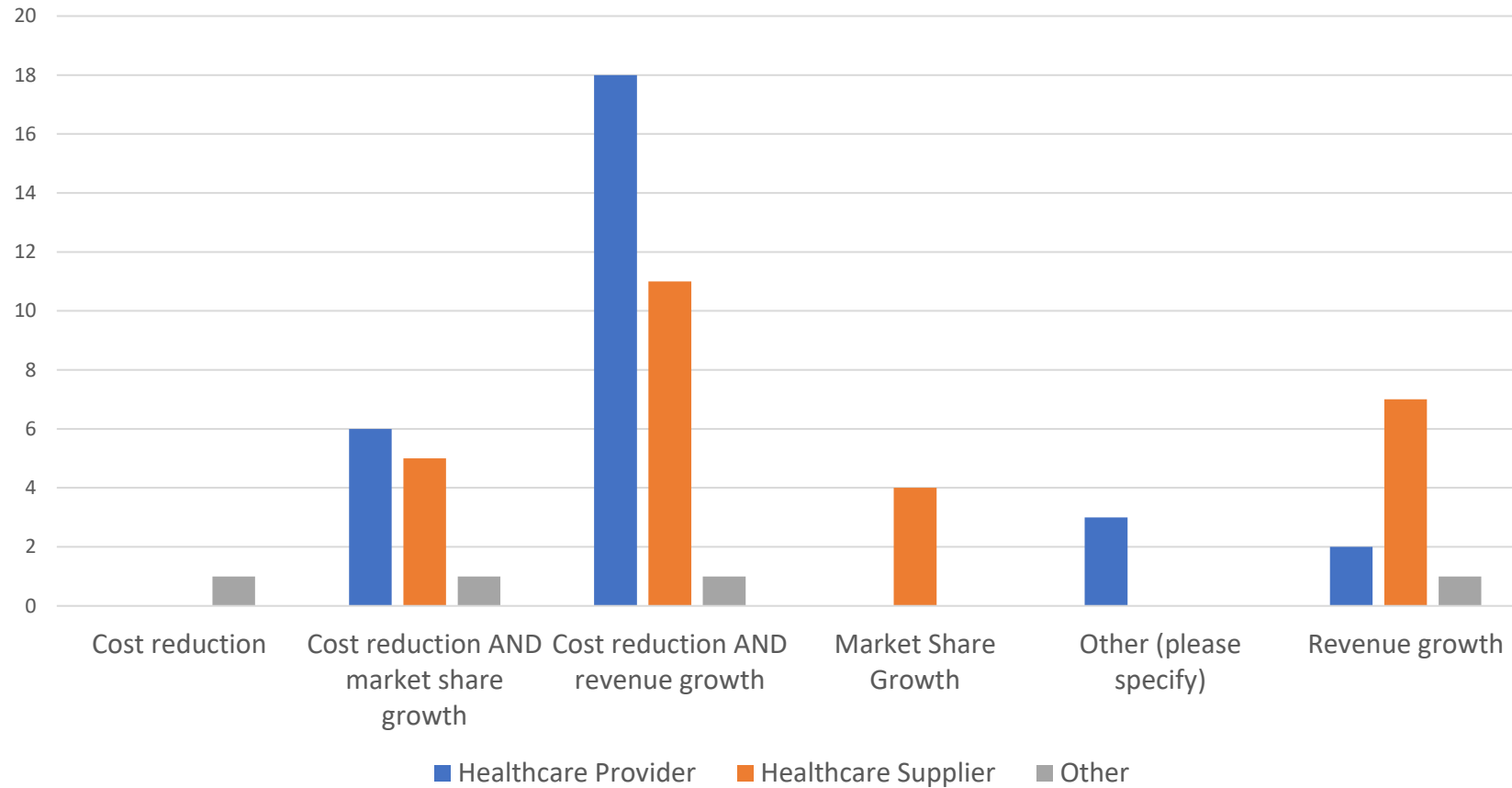


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January 11, 2021 Quick Quiz Results

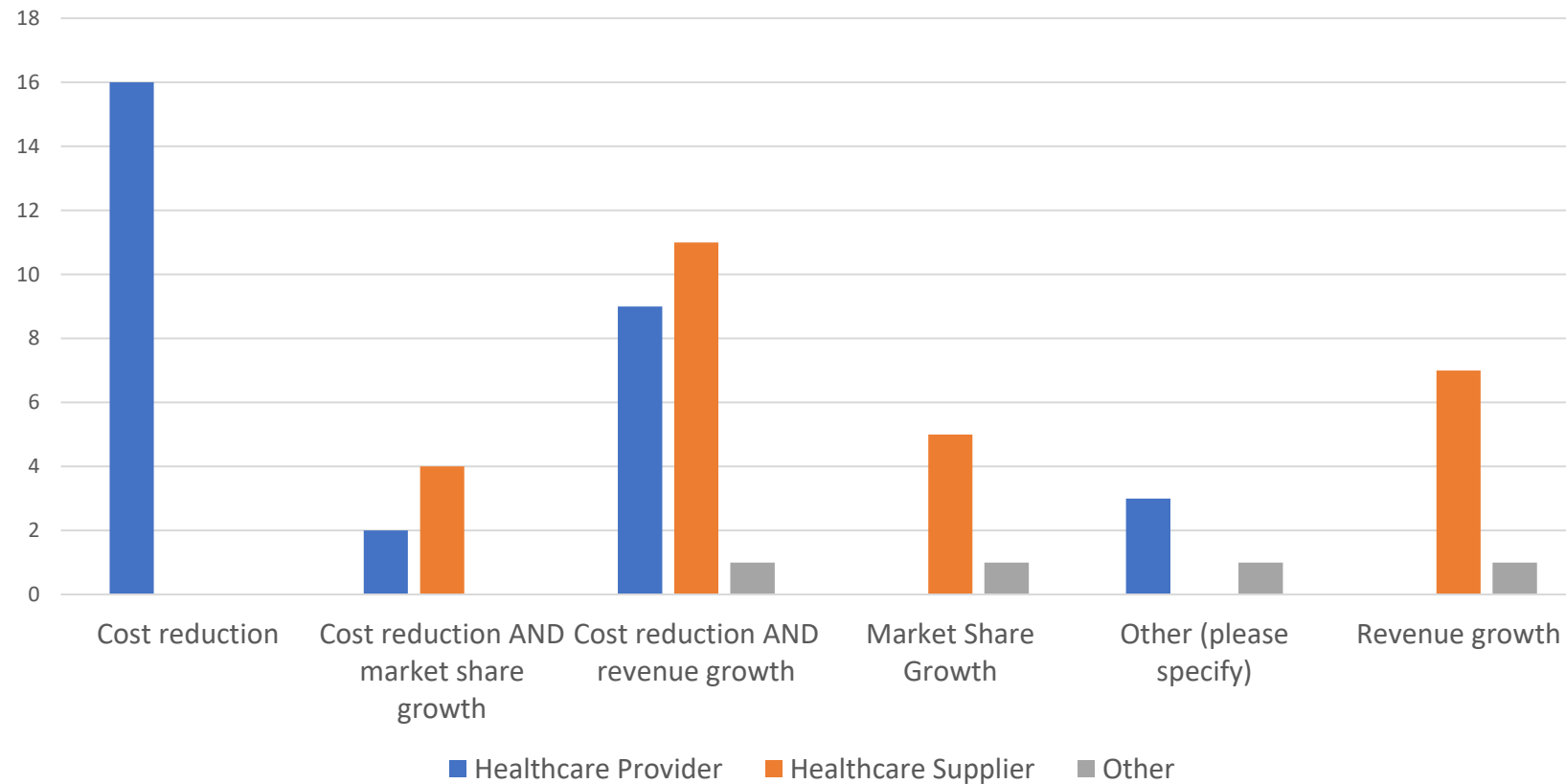
What is your organization's top budget priority for 2021?





January 11, 2021 Quick Quiz Results

What is your department's top budget priority for 2021?





January 11, 2021 Quick Quiz Results

Lots of interesting comments on the budget process
First, here's what Providers had to say:

2021 will try to bring the priorities of 2020 (pre-Covid) mixed with the new strategy of a more resilient chain for the future.

'21 scaled back due to anticipated year over year decrease in patient volume due to COVID

Besides cost reduction, department budget is also focused on talent management, clinical value transformation, supplier resiliency, work force engagement and inventory management\distribution strategies for the future.
--

budget is the same as pre covid

Capital and OPEX budget lower

Capital project funds are very limited
--

The 2021 budget is more conservative than the budget was for 2020, but 2020 didn't exactly go as budgeted anyways!
--

Tighter controls on capital dollars

Trimmed expenses by \$100m, 47m of which is Supply Chain driven

We have moved to Dynamic Planning this year.
--

Well, COVID hit and we are all over the financial board. CARES Act helps but still have challenges.

Continue to review the PPE usage & expense
--

Continued cost reduction pressures to achieve 2030 strategic plan.
--

Decrease in expenses and cost of capital are planned
--

Flat

Higher cost for PPE items - on a monthly basis we are "scrubbing" the incremental increase to a COVID expense account so we can readily track/document the difference

Holding to 2020 expenses

Increase in cost structure to support Pandemic needs
--

Largely the same but more conservative and with cuts to capital spending
--

Must increase resources

Operating expenses have been reduced.

reduced margins

Similar to 2020, but changes are expected due to the resurgence of COVID and its impact on elective procedures
--

Supply chain budget has increased over prior year to ensure proper staffing and support levels and including increase in supply expense cost for stockpile
--



January 11, 2021 Quick Quiz Results

And Suppliers had many insights to share, as well:

Assuming travel expense in 2021 will not exceed 2020. We will see...
Budget is roughly the same as 2020 actual... scaled back from the 2020 budget because of Covid.
Budgets are net flat but shifting money to support new programs to better support our sales/marketing approach and improve our customer's experience.
COVID has taught us we can do more with less. We are in the process of evaluating human capital adjustments if needed. All that said we can not afford to reduce our Customer touch points as strategic partnerships and engagements will increase based on providers priority to increase standardization, reduce suppliers, and narrow choice and access.
Fiscal 2021 budget launched in January 21, with clear direction to tighten operational expenses while improving customer experience as high priority. Budget 21, had COVID transparency, Budget 20 was KAOS.

High expectations for accomplishing our objectives
Maintain expense control in 2021 with sales targets at 2019 levels.
Marginally higher
need double digit growth on both sales and margin \$\$
Our company has gone through a significant reorganization with the elimination of positions including senior leaders in an effort to reduce our operating expenses in 2021. Budgets are appreciably below 2020.

Realistic expectations coming off of a Pandemic year is hard to gauge.
Reduced expense budget for travel
Significant growth expectations to make up for areas where we were down in 2020.
Significantly reduced budget for business related Travel & Living expenses as we anticipate most business to be conducted virtually this year, again.
Significantly reduced in area of headcount and T/E

Smaller
Still unknown. Need to make a calculate guesstimate
We are a SaaS based SCM technology company. Top line revenue and market share growth are the focus.
We are expecting growth as a public company.
We experienced a tremendous loss of revenue due to Covid and elective surgery cancellations. Not only do we need to have a revenue recovery we need to focus on back-up plans to ensure this doesn't happen again



January 11, 2021 Quick Quiz Results

Members have Professional Goals in several Key Categories:

- Leadership
- Talent Management
- Operations Improvement
- Partnership enhancement
- Personal Development



January 11, 2021 Quick Quiz Results

SMI Member Professional Goals: Leadership

Expanding Market Share
Continue to foster a complete healthcare supply chain and not just focused on price
Continue to move the bar up even with all these challenges
Driving innovation
Focus on advancing supply chain resiliency efforts
Improve channel transparency, implement post covid improvements
Improved customer experience
lead

Maximize resources through evolving processes and and realignment of work/resources
More Strategic Relationships at Higher Levels in IDNs
Organizational Development
To be an empathic, inspiring leader for my team
To become a more flexible leader and develop numerous contingency plans
Utilize learnings of 2020, to challenge the pre-COVID way and advance industry.
Implement value-based opportunities



January 11, 2021 Quick Quiz Results

SMI Member Professional Goals: Talent Management

Deeper engagement with team
Develop my new team into a more visible status as trusted advisors.
Developing future leaders
Development in human capital (training and skills sets).
development of staff
Ensuring our sales teams have the skill sets and tools to be effective in this new virtual selling environment.
Lead an organization where associate feel ownership of the business, are proud of the services they are providing, and love to get up every morning to come to work.
Leaving a strong team for another supply
People development
Staff Development
Support and Coach the Supply Chain leadership team to proactively respond to any/all supply availability issues (so that our customers feel little to no impact)
Talent Development
Talent Management build out

SMI Member Professional Goals: Partnership

Become a greater resource, trusted advisor to IDN partners vs contract position.
Continue to assist Health Systems with asset management and total cost of ownership.
Learning how to become a better partner with my accounts...even the smaller ones.
physically connect with more key supply chain decision makers
To get back out working with our customers and seeing them in person.
To make the Healthcare Provider Supply Chain more efficient and to add value to clients every day.



January 11, 2021 Quick Quiz Results

SMI Member Professional Goals: Operations

Securing enough supply to satisfy the needs of our customers
Getting back to somewhat the old "norm" of seeing customers, traveling and selling.
post mergers and supply chain integration
Service Quality Improvement
Standardization and interoperability.
Standardization, collaboration
Successful ERP and EHR replacement projects
data and analytics for supply usage and expenses
Enhancing tools to monitor KPI's, leveraging technology and launching a communication center.
Leading an industry trade group initiative related to data standards that I was recently elected to, completing a certification and launching a Block Chain pilot

SMI Member Professional Goals: Personal and Career Development

Career advancement
Get more involved in professional organizations mentoring in the healthcare supply chain profession.
Become SC Certified.
Go for FAHRMM and cert for FACHE.
Have fun
Health, safety and personal development
Start a book project
Writing a book.



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The word members selected most to be their ONE WORD for 2021?

HOPE

Members had other hopeful words for 2021:

Anticipation
Balance
Better
Change
Covidless
Create
Defining the "next normal"
Experienced
finally
forward
Freedom
improvement
Journey
Maskless
Normalcy
Onward

Opportunities
Optimistic
Recovery!
Redemption
Relief
Reset
Resilience
Retirement!
stronger
Success
Thrive
Travel
Turn the corner
Vacation
Vaccinated!
Welcome!

And some members were still a bit uncertain:

Disaster
Dramatic
It is starting out like 2020's twin
Repeat.
any word without COVID attached
Re-inventing the concept of "Kaizen."