



Singapore Healthcare Management 2024

Generating Business Value

by exploring the use of substitute Product.

Jessica Low & Chloe Tay
ALPS@KTPH



AIM

To adopt procurement strategies to explore the use of substitute products for the purpose of generating business value. By exploring alternative products and its potential applications for business operations needs, we identify opportunities for cost savings, efficiency improvements and reduce potential cross contamination and infection risk.

METHODOLOGY

ALPS @ KTPH explored products substitution and calculated the total cost of usage, washing cost and disposal cost between disposable versus reusable flat mop & cleaning cloths.

Environmental Services Department (ESD) was using reusable flat mop and cloths for cleaning the hospital. After every use, the reusable flat mop and cloths will be sent to washing before deploying for next usage.

- ❖ During the Covid-19 pandemic, ESD had reviewed the daily cleaning workflow and realized there is inherent risk of cross contamination during the transportation and laundry process. The staff handling the dirty cleaning cloths and mops could be exposed to the pathogen and thus infected by the virus and bacteria.
- ❖ The incumbent laundry provider had highlighted the challenges of rising energy (natural gas and electricity), manpower and operational cost and requested 28% increment for the laundry services in the extension years effective 1 April 2023.
- ❖ As a result, operational costs have increased due to price hike in laundry services.

In view of the rising cost and the potential infection risk, ALPS @ KTPH work closely with ESD to explore the possibility of using substitute products. Request for Proposal (RFP) was established and evaluation was done with the Evaluation Committee (EC).

RESULT

- ✓ Substantial Cost savings achieved. With negotiations and new initiative of product substitution, we achieved a total estimated cost saving of \$889,658 – 39% (7.78% from negotiation & 31.22% from alternative product) for 5 years consumption.
- ✓ Reduce operational man-hours to coordinate and manage the sending and receiving for the laundry of the flat mopes and cleaning cloths.
- ✓ Dirty disposable flat mops and cleaning cloths will be disposed, eliminating the risk of cross-contamination.
- ✓ Minimise the potential risk of staff being exposed to the pathogen and thus infected by the virus and bacteria.

CONCLUSION

The use of substitute products allows opportunities for cost savings, efficiency improvements and reduce potential cross contamination and infection risk. .

