





# Standardizing Paper-based LMIS Tools to Optimize Inventory Strategy

Using well designed, standardized paper-based LMIS tools, Alight ensured that essential data are captured at all levels of the supply chain to inform resupply decisions and prevent stockouts of essential and specialized medical supplies.

#### **BACKGROUND**

Formerly known as the American Refugee Committee, Alight provides health care, clean water, shelter, protection, and economic opportunities to more than 3.5 million displaced people in 17 countries each year. In Rwanda, Alight provides comprehensive health care services to approximately 75,000 Congolese and Burundian refugees in the settlement camps of Mahama, Gihembe, and Nyabiheke. The camps are located in remote areas where facilities and resources are limited. As part of its operations, Alight procures a broad range of medicines and medical supplies for its health facilities and pharmacies. To help prevent stockouts of health supplies in a setting where demand can fluctuate, Alight standardized its paper-based reporting system and developed various logistics management information system (LMIS) tools to optimize its inventory management practices.

#### **LMIS TOOLS**

Alight developed the following standardized LMIS tools to capture and report data about products flowing through the supply chain. These data are reported from the lowest level of the supply chain (the health facility or pharmacy) to the higher levels where resupply and procurement take place. Alight's supply chain managers use these data to make rational decisions for ordering health supplies.



#### STOCK CARD

The standard stock card is a stock keeping record that captures receipts and issues of all products. Store keepers and pharmacists use it to record consumption data and stock on hand, two essential data items that managers need to calculate resupply. When a product is received into stock, dispensed to a customer, or disposed of for any reason, the store keeper or pharmacist makes an entry on the stock card.



Alight pharmacist and store managers receive commodities at the central pharmacy stores. Photo: ALIGHT Rwanda

Location: Rwanda

**Organization:** Alight

**Setting:** Refugee camps

Supply chain management

practice area: LMIS

## HR cadres using the tool:

Pharmacists, store keepers, and supply chain managers



#### **WAY BILL**

The way bill records the transfer of stock from one level of the supply chain to another, or from one facility to another. It is signed by the person issuing the product at the upper level—typically a warehouse, and by the person receiving the goods at the pharmacy or health facility. The way bill includes key data for each product, including reference number for the movement of the item; item name; unit, batch, and expiry date; quantity of items; and destination.

## MONTHLY REPORT AND REQUISITION FORM

Through the monthly report and requisition (R&R) form, pharmacists and storekeepers can report their data to the supply chain's next level up and request a resupply of stocks based on their consumption. The R&R form contains the essential data items—stock on hand, losses and adjustments, consumption data, and number of days stocked out—to accurately determine order quantities to avoid stockouts and overstocks. The stock card and way bill feed into the R&R form, which also helps determine order refill rates. Dispensing units fill in the refill rate, which is consolidated at the upper levels of the supply chain, when the supply chain manager needs to determine the quantity of goods to be issued. The supply chain manager uses data for stock on hand, consumption rates, and losses and adjustments to forecast the quantity to be ordered from suppliers for the next month. Urgent items that may not be available in normal supply chain channels are ordered directly from contracted suppliers.



## **ADAPTING TO COVID-19 RESTRICTIONS**

The restrictions due to the COVID-19 pandemic necessitated changes to the paper-based tools. With the challenges of limited movement around the country, Alight decided to go digital. The team converted the paper-based tools into e-tools that staff could send by email, which minimized the physical interaction with field pharmacies. This coupled with increased team communications via WhatsApp, Skype, Zoom, and other online platforms significantly improved routine processes like authorizations that are now processed more quickly.

Learn more about Alight Rwanda's use of LMIS forms in this video.



# PRACTICE AREA ESSENTIALS

# Logistics Management Information Systems

Effective supply chains depend on end-to-end visibility of the right data of the right quality at the right time, in the hands of the right people in the right place, to make the right decision and take the right action.

# The supply chain manager needs to know:

- The essential data needed to manage a supply chain
- The use of LMIS data
- The tools and processes that enable end-to-end visibility of data
- Considerations for applying technology to improve LMIS

## Learn more about LMIS

Access the full version of the Supply Chain Manager's Handbook

For more information about this practice, please contact Alight's Global Logistics team at global.logistics@wearealight.org

Building Capacity to Improve Pharmaceutical and Medical Commodity Management in Humanitarian and Disaster Settings Project



The <u>Building Capacity to Improve Pharmaceutical and Medical Commodity Management in Humanitarian and Disaster Settings Project</u> improves the capacity of people who manage health supply chains in humanitarian settings. It helps staff from international organizations and local NGOs to manage pharmaceutical and medical commodities by equipping them with training guidance, resources, and follow-up support. JSI Research & Training Institute, Inc. manages the project, which is funded by USAID's Bureau for Humanitarian Assistance.