Seattle Children’s Hospital transacted electronically through the GHX Exchange with some of its high-volume suppliers, but was still transacting business manually (e.g., phone, fax, email) with the majority of its vendors.

“We have taken a collaborative approach to improving order accuracy. It’s not just me as a manager telling staff how to do it. We all work as a team to come up with the best solution to deal with exceptions, get it into writing and agree to follow that standard process.”

– James Leroy, Sourcing Operations Manager, Seattle Children’s
eCommerce and Contracting Solutions

With the philosophy that “every exception is waste,” Seattle Children’s Hospital’s goal was to improve order accuracy. Using GHX solutions to submit purchase orders (POs), receive purchase order acknowledgements (POAs) and view the status of orders in near real time through a single, easy-to-use portal, the tool alerted buyers to order discrepancies, enabling them to quickly and efficiently resolve issues and minimize exceptions.

Driving Efficiency Through the GHX Exchange

Utilizing reporting from GHX the team identified PO lines not going through the Exchange and encouraged those suppliers to join the GHX Exchange in order to take advantage of the benefits that come with full integration.

For those suppliers still not yet connected to the GHX Exchange, Seattle Children’s Hospital implemented the GHX MetaTrade solution to convert electronic POs into fax or email format for those suppliers that cannot accept EDI transactions.

Results

<table>
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<tr>
<th>Transmits 91% of PO lines electronically through the GHX portal</th>
<th>Increased electronic trading partners from 30 to 230</th>
<th>Reduced special order line volume from 20% down to 2%</th>
<th>Increased invoice gross transaction value through the Exchange by 124% in six months</th>
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Exception rates well below the average for GHX provider customers:

- For price: 0.77%
- For part numbers: 0.38%
- Backorders: 0.52%
- Unit of measure (UOM): 0.27%

Read the complete case study.

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