



Case Study: Concordance Healthcare Solutions



CONCORDANCE®
HEALTHCARE SOLUTIONS

HEALTHCARE CASE STUDY

Overview & Challenge

Concordance Healthcare Solutions, established in 2016 through the merger of Kreisers, MMS and Seneca Medical, stands as a leading independent healthcare distributor in the United States. They boast a network of 20 facilities strategically positioned across the nation. With a focus on serving diverse customers across the care continuum including local hospitals, the VA and long-term care facilities, Concordance ensures swift order fulfillment through same-day shipping via its own fleet of trucks, LTL or parcel.

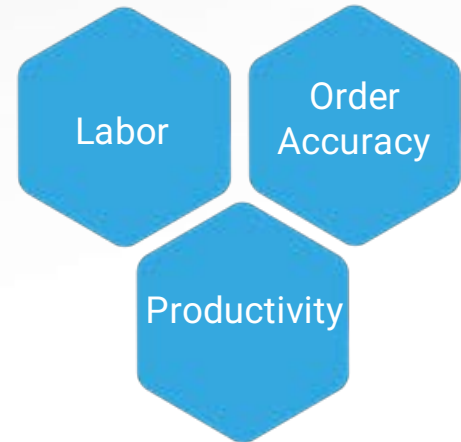
Maintaining service levels amidst high customer expectations for accuracy and fill rates, while mitigating the impact of supplier backorders, Concordance saw these challenges compounded by to consistent need to hire and retain staff. All of this posed significant hurdles, exacerbated even further during the COVID-19 pandemic. With an industry-wide turnover rate of 40%-45%, Concordance's attempt to prioritized efficient training and productivity for temporary labor was not meeting the mark.

Recognizing the need to alleviate employee strain while meeting service level agreements and accuracy benchmarks, Concordance made the decision to seek innovation.

Results

Concordance collaborated with Locus to deploy a warehouse execution platform and over 165 autonomous mobile robots (AMRs) across 10 of their distribution centers. The decision to opt for Locus Robotics was driven by the promise of enhanced accuracy and efficiency.

Critical Factors for Implementing Automation at Concordance



Healthcare company improves accuracy with LocusBots



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Keith Price, CIO and COO of Concordance Healthcare Solutions, states that, "Productivity gains have been achieved through the integration of AMRs, particularly in hybrid mode where each item is scanned for validation. The implementation resulted in a substantial reduction in error rates which originally sat around 0.04% and now are as low as 0.01%. One of our facilities achieved error-free operations for three consecutive months." Price continues, explaining the impact this has to the bottom line, "This error rate reduction translated to significant cost savings, given the implications and cost of returned orders."

Beyond accuracy improvements, the intuitive user interface - featuring product visuals - expedited training, slashing it from two hours to a mere 10 minutes. Employees swiftly adapted to the system, efficiently fulfilling orders with minimal errors. Price shares, "Notably, we trained one of our human resource representatives for 10 minutes with the co-bots and they successfully picked 260 lines error-free. They had never picked a single line prior to this." Situations like this truly underscore the system's user-friendliness and effectiveness.

The flexibility and scalability of the system facilitated seamless integration of new bots within a day, in stark contrast to other automation tools requiring extensive modifications to accommodate increased volume.

Overall, the partnership between Concordance Healthcare Solutions and Locus Robotics exemplifies a successful synergy between innovation and operational excellence in the healthcare distribution sector.

Results

98%

Decrease in training time

- + Improved order accuracy
- + Improved employee retention
- + Improved data insights

