

# Financial Impact Resulting from Saskatchewan Quality Improvement Activities

Updated February 25, 2015

Improvements from April 1, 2008 through January 31, 2015

Phase	Organization	Projected Financial Impact from RPIWs, 5S, Mistake Proofing, PDCA's						Sub-Total	Kanban (Signaling System)		Lean/3P	TOTAL
		Captured Savings	One Time		Capacity Increase		Avoided Future Cost (Savings)		Value of Improvements	Savings		
			Value of Improvements	Savings	Value of Improvements	Savings						
Phase 1	SHR	8,738	930,671	201	2,454,845	0	423,539	3,817,994	1,795	7,509	29,796,300	33,623,598
	RQHR	24,450	267,784	0	1,020,592	0	115,072	1,427,898	0	116,058	0	1,543,956
	FHR	292,591	1,319,340	2,600	198,656	489,731	217,107	2,520,025	5,717	0	31,500,000	34,025,742
	PAPHR	0	0	0	17,140	0	8,454	25,594	0	131	0	25,725
	PNHR	0	56,378	0	55,092	6,193	96,485	214,148	24,709	0	0	238,857
Phase 2	MOH	249,996	0	0	0	0	1,132,360	1,382,356	0	0	0	1,382,356
	MOH Prov Lab	50,277,395	0	0	0	0	0	50,277,395	0	0	0	50,277,395
	eHealth	0	0	0	289,947	0	229,165	519,112	0	0	0	519,112
	3S	239	0	0	56,856	0	60,134	117,229	0	38,000	0	155,229
	SCA	434	9,490	0	187,099	0	62,431	259,454	0	0	0	259,454
	CHR	28,117	5,571	0	0	0	105,709	139,397	-328	0	0	139,069
	Sunrise	0	17,342	0	29,287	0	1,977	48,606	0	4,190	0	52,796
	SCHR	0	37,709	0	5,429	0	0	43,138	11,497	0	0	54,635
	KTHR	0	1,644	0	0	23,215	397,482	422,341	-21	0	2,600,000	3,022,320
	HHR	0	42,612	0	0	0	50,525	93,137	0	0	0	93,137
	KYRHA	0	0	0	0	0	0	0	0	0	0	0
	MCRHR	0	4,410	0	1,172	0	0	5,582	0	0	0	5,582
	AHA	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL</b>	\$50,881,960	\$2,692,951	\$2,801	\$4,316,115	\$519,139	\$2,900,441	\$61,313,407	\$43,369	\$165,888	\$63,896,300	\$125,418,964

**Source:** Health Quality Council, Provincial Kaizen Promotion Office KaizenTracker.ca; manually collated data from contributing health system partner organizations. Project financial impacts as reported for provincially standardized financial categories for improvement activities, including: RPIWs, 5S, MPP, Kanban, and PDCA's. See the financial category definitions table below for detailed definitions. Weekly submission cycle for organizational submissions.

**Financial category definitions:**

<b>Captured Savings</b>	Savings*	Savings that have an impact on what you are currently spending. Based on what you are spending today, these savings contribute to bending the cost curve - reducing current spending, or achieving a slower rate of spending.
<b>One-Time Savings</b>	Value of Improvement** or Savings	One time savings that avoid future spending.
<b>Capacity Increase</b>	Value of Improvement or Savings	An increase in the maximum level of output of goods and/or services that a given system can potentially produce over a set period of time. Savings that result from staff or equipment that can be reallocated to increase productivity due to reduction in waste in the process.
<b>Avoided Future Cost</b>	Savings	Large capital investments of money that will no longer need to be spent due to the application of lean methods.

The Projected Financial impact of the improvement is based on the results achieved at the time the improvement activity was undertaken. The potential financial impact is an estimate only and does not ensure that the gains will be sustained into the future. However, every effort will be made to sustain the gains.

\*Savings have a direct impact on the bottom line, if the improvement results are sustained.

\*\*Value of Improvement reflects time or space savings, capacity or productivity increases at the time of the improvement. These do not have a direct impact on the bottom line, but provide the opportunity to redirect the gains, if the improvement results are sustained.