PHARM.D • YEAR 2

Community Pharmacy

CHAPTER 4

Inventory Control in Community Pharmacy



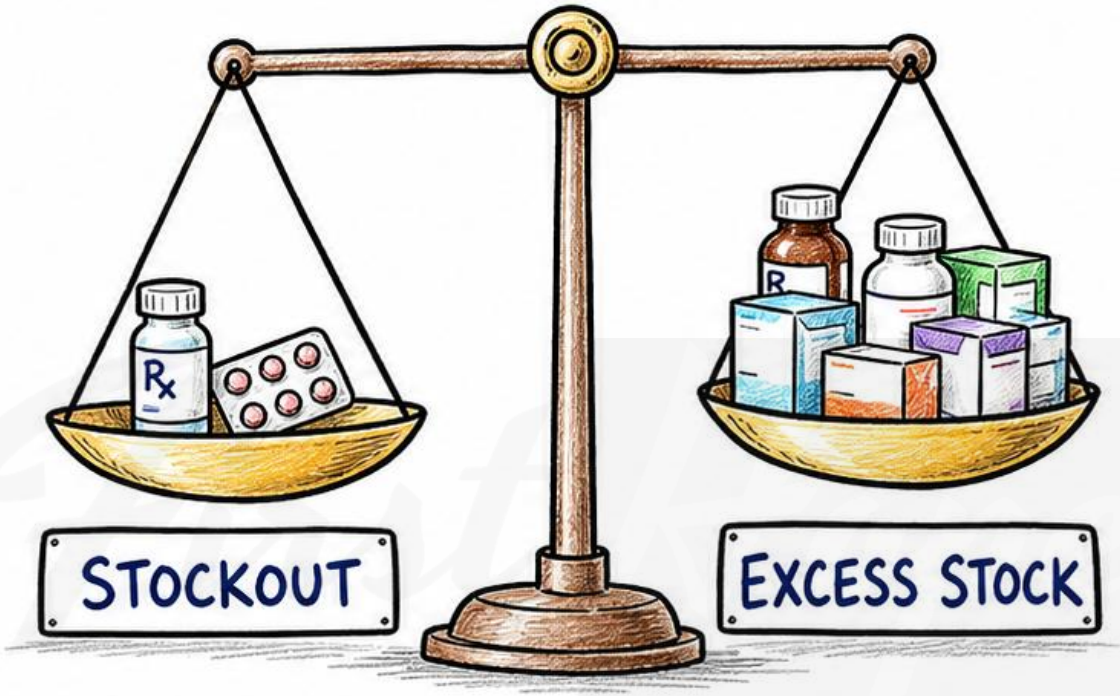
PPT CHAPTER COVER

DOCTOR OF PHARMACY

Inventory Control: The Balance

Too Little Stock

Stockouts delay treatment and disrupt continuity of care.



Too Much Stock

Money is tied up; storage costs, damage and expiry risks increase.

Tools

ABC prioritizes financial value; VED prioritizes clinical importance. EOQ supports order-size decisions. Lead time, reorder level and safety stock support replenishment planning.

No single tool replaces judgement about patient need and shelf life.

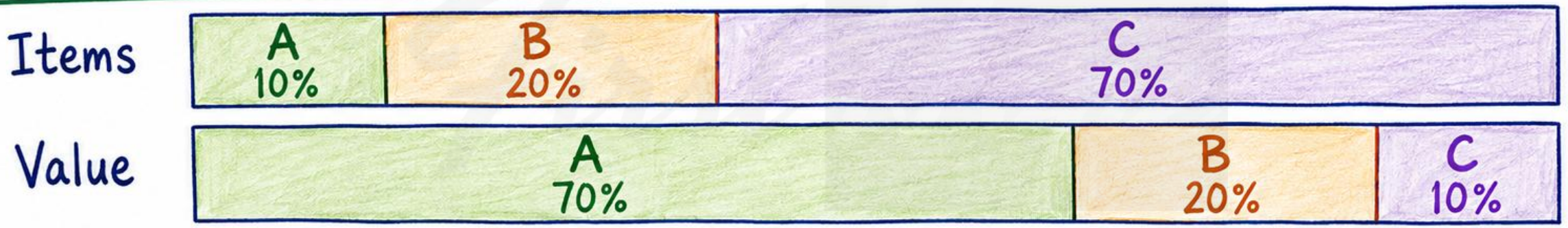
ABC ANALYSIS: ANNUAL CONSUMPTION VALUE

CALCULATE

Annual consumption value = annual quantity used × unit cost.

Rank items from highest to lowest value, then group them by cumulative contribution.

ILLUSTRATIVE DISTRIBUTION



A: 10% of items account for about 70% of value.

B: 20% of items account for about 20% of value.

C: 70% of items account for about 10% of value.

These are approximate teaching proportions, not mandatory cutoffs.

ABC does not classify medicines by clinical importance or purchase frequency alone.

ABC ANALYSIS: MANAGEMENT ACTION

A ITEMS

Close financial control, accurate records, frequent review and carefully justified order quantities.



B ITEMS

Moderate control and periodic review, proportionate to their value and supply risks.



C ITEMS

Simpler controls may be adequate, but expiry, storage space and availability still matter.



REMEMBER

- A low-value medicine can be clinically vital. A high-value item is not automatically slow-moving.
- Use ABC with other information rather than applying automatic bulk-buying rules.

VED ANALYSIS: CLINICAL CRITICALITY

V — **VITAL**

Unavailability may seriously compromise urgent or essential care. Give availability and contingency planning high priority.

HIGHEST PRIORITY

E — **ESSENTIAL**

Important for common healthcare needs; shortages still affect care and require prompt resolution.

HIGH PRIORITY

D — **DESIRABLE**

Lower immediate criticality in the particular service, while still potentially useful for patients.

LOWER PRIORITY

→ Classification depends on the setting, patient population and available alternatives.

→ Combining VED with ABC balances clinical importance against financial value.

First Hope

FREE PREVIEW

Click here to visit our website

PHARMACY PREMIUM NOTES

Complete subject and semesters are available on FirstHope app only.

Scan or click here

Click here to get the app >

Available on Google Play

JOIN THE FIRSTHOPE COMMUNITY

Join our Telegram channel

Click here to join Telegram >

Scan or click here

@FirstHopeNotes

Instagram

@firsthope.official

Click here to follow >

YouTube channel

FirstHope-Pharmacy / Live streams

Click here to watch >

WhatsApp channel

Follow FirstHope on WhatsApp

Click here to join >

FirstHope website

firsthope.co.in

Click here to visit >

B.Pharm / D.Pharm / M.Pharm / Pharm.D

Preview notes. Complete subjects and semesters in the FirstHope app.