

# SUPPLY LINE 2055: CERTIFICATION UPDATE



## June 2007, Volume 20

### Issue Highlights:

- Dare to Lead! — Sign Up to Participate in CPSM Pilot Testing, February & March 2008
- Get the Latest CPSM Update Presentation From ISM's 92nd Annual Conference
- Explore the Employment Market With ISM's Career Center
- Compensation Increases for Supply Management Professionals
- CPSM Study Materials Development Update
- You Don't Say...
- Mastin Wins *CPSM Study Guide* at Annual Conference Drawing
- Continuing Education Hours @ Annual Conference
- Get CPSM Information
- ISM R. Gene Richter Awards Application Deadline is September 28, 2007. Don't Be Left Out!

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### Dare to Lead!

Sign up to participate in CPSM Pilot Testing, February & March 2008

The new [Certified Professional in Supply Management \(CPSM\) qualification](#) is designed to



lead the profession by emphasizing all of the major components of supply management. Mandated by business and thought leaders across the globe, the skills and abilities represented in the CPSM will enable professionals to excel in 21st century strategic supply management. Supply managers

must recognize opportunities and extend the boundary of supply capabilities — they must **Dare to Lead.**

### CPSM Pilot Testing

Pilot testing for the CPSM will take place in February and March 2008. Pilot testing is a standard practice when introducing a new qualification. It ensures the exams will be reliable and credible. The pilot program also quantifies the exam, enabling ISM to develop exam equating and scoring. All qualified professionals who meet the CPSM requirements are welcome to participate in the CPSM Pilot Testing Program.

The CPSM Pilot Testing Program will be offered to companies and ISM affiliates on location. To participate, companies must have at least five candidates to test. Affiliates must have at least five exams to test (less than five individuals may take multiple exams) in order to register for the pilot program. ISM will begin accepting registrations for pilot testing September 1, 2007. Individual nonmember professionals not associated with a participating company must contact their local ISM affiliate in order to take the CPSM Pilot Exam.



#### **CPSM Exam and Eligibility**

The CPSM examination process consists of three separate exams which address the main components of supply management. Passing the three exams, having a bachelor's degree from a regionally accredited institution and possessing five years of full-time professional, non-clerical, non-support supply management

experience will be required to earn the CPSM.

#### **Discounted Pilot Program Fees**

Each exam of the CPSM Pilot Testing Program will be \$50 — a significant savings at more than a 70 percent off the normal exam price during the eight weeks of the pilot period. One re-take will be allowed at the \$50 special Pilot Program rate.

#### **Post Pilot Half-Price Discount Period**

A discounted rate of \$90 for members, \$135 for nonmembers will be in place for CPSM testing from April through August 31, 2008. Members will pay \$180, with nonmembers paying \$265 per exam after September 1, 2008.

#### **Application Fees**

Application fees during the CPSM Pilot Testing Program and for six months after the pilot program will also be discounted. Application fees for the CPSM will be \$45 for members and \$75 for nonmembers until August 31, 2008. After September 1, 2008, application fees for members will be \$90, nonmembers \$150.



#### **Study Materials**

Participants in the pilot program will also receive substantial discounts on study materials. ISM will provide the *CPSM Study Guide* and the CPSM reference book series for \$99. After May 1, 2008 the price will increase to \$259 for the same package.

#### **Plan for Your CPSM Now!**

Take the Lead — Get ahead of the competition in 2008 by securing the profession's most strategic qualification — the Certified Professional in Supply Management (CPSM). The CPSM represents the highest degree of professional competencies, containing the most comprehensive body of knowledge in supply management. For additional information on the CPSM program and to sign up for CPSM e-mail updates, visit us online at [www.ism.ws](http://www.ism.ws).

For more information on how your organization can take part in ISM's CPSM Pilot Testing Program, contact the ISM Sales Team:

#### **Kathy Braase**

Senior Sales Associate  
480/752-6276, extension 3061  
[kbraase@ism.ws](mailto:kbraase@ism.ws)

#### **Trish True**

Senior Sales Associate  
480/752-6276, extension 3086  
[ttrue@ism.ws](mailto:ttrue@ism.ws)

## Get the Latest CPSM Update Presentation From ISM's 92<sup>nd</sup> Annual Conference

Download the latest CPSM program PowerPoint presentation from this year's 92<sup>nd</sup> Annual International Conference and Educational Exhibit. Go to

<http://www.ism.ws/files/certification/92ndConfCPSMPresentation.ppt>.



## Explore the Employment Market With ISM's Career Center

ISM's [Online Career Center](#) is the best place for supply management professionals to explore employment opportunities or view job applicants from around the world.

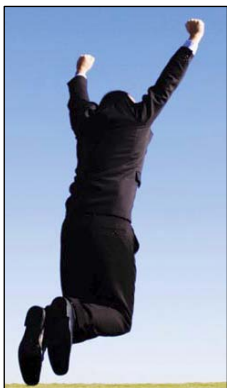
Job seekers will notice enhancements such as increased security options and confidentiality, a new message center and the ability to track the number of times your résumé is viewed.

Employers will notice enhancements such as the ability to track job postings and the number of résumés received for each posting, a new message center and a new résumé search results screen.

- [Login](#)
- [Job Seekers](#)
- [Employers' Corner](#)
- [More Career Resources](#)
- [About the ISM Career Center](#)
- [Register for the ISM Career Center](#)
- [Frequently Asked Questions/Help](#)
- See the results of the [ISM 2007 Salary Survey](#). See how your salary compares with the salary of your supply management colleagues.

## ISM's Conference Career Center Event

This year's Conference Career Center event during the 92<sup>nd</sup> Annual International Conference and Educational Exhibit in Las Vegas was a great success for both job seekers and employers.



"With more than 150 quality applicants, participating employers were able to interview dozens of candidates for various positions," ISM Professional Development Manager Toni Caserta said. "Most of the applicants were mid-level professionals with at least a bachelor's degree."

Employers were extremely happy with the quality of candidates, Caserta said. HR managers received access to résumés online — before, during and after the Conference, plus a chance to interview prime candidates face-to-face. She indicated that companies that "did their homework" reaped the biggest rewards.

"Employers that targeted their approach had the most success," she noted. "Many took the time to make phone calls and pre-screen candidates. This made their employee search much more effective."

**Remember, your Annual Conference registration includes the Conference Career Center, so plan on attending ISM's 93<sup>rd</sup> Annual Conference and Educational Exhibit, May 4–7, 2008 in St. Louis.**

For additional information on how you can get involved with ISM's Online and 2008 Conference Career Center during the Conference, contact Toni Caserta at 800/888-6276 or 480/752-6276, extension 3095, or by e-mail at [acaserta@ism.ws](mailto:acaserta@ism.ws).

### **Compensation Increases for Supply Management Professionals**

Compensation for supply managers is on the rise as the profession's capabilities increase, according to [Institute for Supply Management™'s 2007 comprehensive salary survey](#). Based on salaries and benefits, the average gross salary in 2006 was \$88,380, a 13-percent increase (\$78,470) from 2005.

"Demand for strategic supply professionals is on the rise as managers take on more pivotal roles within organizations," states ISM CEO Paul Novak, C.P.M., A.P.P. "Professionals are receiving increased compensation in direct relation to their increased strategic capabilities."



ISM's Salary Survey established average salaries (for the 2006 calendar year) for the following job titles:

- Chief Purchasing/Supply Management/Sourcing: \$247,685
- Vice President, Purchasing/Supply Management/Sourcing: \$185,343
- Director, Purchasing/Supply Management/Sourcing: \$124,948
- Manager, Purchasing/Supply Management/Sourcing: \$87,676
- Agent, Buyer, Senior Buyer, Planner, Purchaser: \$61,645
- Consultant: \$107,032

Additional summary report details include: Women lag behind their male counterparts. The average salary for women was \$71,307 and the average salary for men was \$98,550.

To view the survey in its entirety, go to <http://www.ism.ws/pubs/ISMMag/ismarticle.cfm?ItemNumber=16605>.

### **CPSM Study Materials Development Update**

#### **CPSM Study Guide**

Available fall 2007, the *CPSM Study Guide* establishes a foundation of the body of knowledge that candidates will be required to demonstrate on the CPSM Exam. It also provides information on test specifications, examples of the testing format and question styles. With the use of additional reference materials to round out your knowledge, the *CPSM Study Guide* is an essential part of your study program.

#### **CPSM Three-Book Series**

Available late fall 2007, the CPSM Three-Book Series is an essential resource for every supply professional. Each volume in the series corresponds with sections of the CPSM Exam.

## CPSM Supplemental Reading List

ISM has compiled a [CPSM Supplemental Reading List](#) to help CPSM candidates prepare for their exams. The books on the list have been chosen because of their focus on the expanded components of supply management. More books may be added to this list as they are identified.

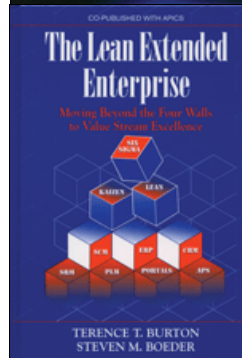
### [Protecting Your Company's Intellectual Property](#)

Deborah Bouchoux  
Item #B87  
USD \$23/ISM members  
USD \$19



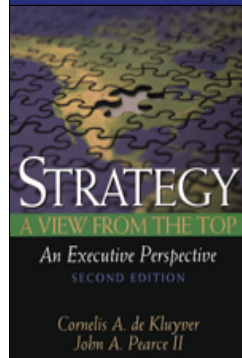
### [Lean Extended Enterprise](#)

Terrence Burton and Steven Boeder  
Item #B88  
USD \$45/ISM members  
USD \$40



### [Strategy: A View From The Top \(2nd edition\)](#)

Cornelis A. De Kluyver  
Item #B93  
USD \$50/ISM members  
USD \$45



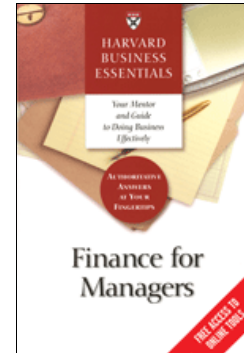
### [Strategic Supply Chain Management](#)

Joseph Roussel and Shoshanah Cohen  
Item #B72  
USD \$40/ISM members  
USD \$35



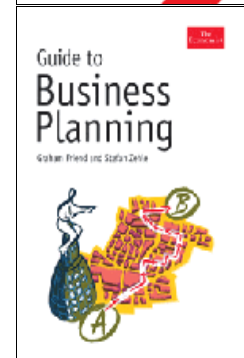
### [Finance for Managers](#)

Harvard Business School  
Item #B89  
USD \$15/ISM members  
USD \$12



### [The Economist: Guide to Business Planning](#)

Graham Friend and Stefan Zehle  
Item #B90  
USD \$21/ISM members  
USD \$17



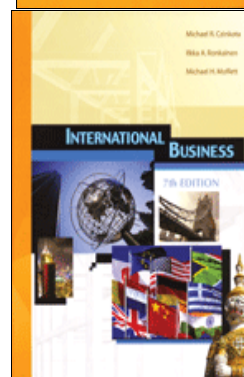
### [Quality Essentials: A Reference Guide From A to Z](#)

Jack B. ReVelle  
Item #B92  
USD \$25/ISM members  
\$21



### [International Business: The Challenge of Global Competition](#)

Donald Ball, Michael Geringer, Paul Frantz, Wendell McCulloch and Michael Minor  
Item #B91  
USD \$139/ISM members  
\$129



## You Don't Say....

By Mike G. Shirra, Senior Associate

Supply professionals have increasingly been using the term "supplier" as opposed to "vendor" over the last 20 years. Some professionals say the term "supplier" more accurately describes the role these companies play in supply chains. However, the use of both words continues, many times interchangeably. What's the difference? And, why does ISM suggest the use of the term "supplier"?

Curious, I went to ISM's Web site to see if I could gain additional insight into the matter. Nothing specific regarding this question surfaced to give me an indication of why "supplier" was the more correct term to use. So I drilled down into the Credentials Discussion Forum on the ISM Web site to find out how members really use the two terms. Again, both terms continue to be used interchangeably.

I then went online to see the most current definitions of the two terms. In this case, both are used as nouns. Definitions on many "dictionary" Web sites were similar, however not identical. For example, the most appropriate definition in dictionary.com states that "supplier" is a person or agency that performs the act of "supplying, furnishing, providing or satisfying..." "Vendor," on the other hand is "a person or agency that sells...promotes or exchanges goods or services for money..."

Going along with this logic, the term "supplier" seems to be better suited to focus on entities whose main purpose is to provide materials or services to other businesses, which then in turn create a finished product. The term "vendor" seems to be better suited to focus on the entities whose main purpose is to produce a created product to sell to the public.

Upon further reading in various supply management online discussion forums, many similar definitions of these two terms support these subtle differences. One supply manager defined the terms this way:

Supplier — Someone whose business is to supply a particular service or commodity (to other businesses). The *broad* definition of "suppliers" is "suppliers to the market."

Vendor — An organization that sells something..., referring to both manufacturers and distributors as long as they sell products to the general public. A vendor is a person or company providing merchandise or services to a retail store.

*World Class Supply Management: The Key to Supply Chain Management, 7<sup>th</sup> Edition*, by David N. Burt, Donald W. Dobler and Stephen L. Starling, outlines the business implications when using the two terms. "The terminology of 'vendor' is giving way to the use of supplier, since 'vendor' historically has many negative connotations associated with it. Use of the term 'vendor' may prevent the relationship between the buying and supplying firms from improving to a state of collaboration."

A great example of how to think of the two different terms was offered by ISM Senior Vice President Nora Neibergall, C.P.M. In discussion, she described her experience in learning the real difference between the two terms.

"Several years ago, I was hired into the supply management organization at a division of a Fortune 100 company that was in the process of undergoing a transformation from tactical purchasing to strategic supply management. The entire organization underwent



profound change in how we contributed to the success of the organization. The difference between 'vendor' and 'supplier' was a subtle, but important, distinction for us to make. Through discussions with our leadership, we came to understand that 'vendor' implied a relationship that was based on price, delivery, and basic quality measurements. The relationship was basically a transactional one.

"Suppliers' were companies you worked with to build toward a better future for both organizations. Price, quality, delivery and lead time were all still very important — but so was earlier supplier involvement in new projects, collaboration on new technologies and creating innovative relationships that ensured delivery without increasing inventory, etc. Suppliers could be a competitive advantage. It was made very clear to us that we had to think differently about the companies that were supplying us with goods and services."

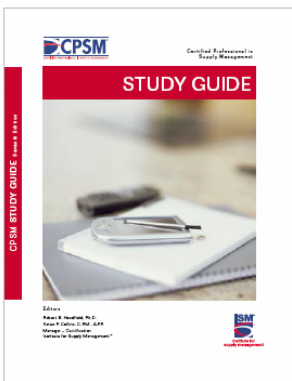
**Nora P. Neibergall, C.P.M.**  
**Senior Vice President**  
**Institute for Supply Management™**

Clearly, the terms "supplier" and "vendor" are similar but not identical. Years ago, this subtle difference would most likely have gone without notice. However, now, as the profession has evolved in recent years, the terminology which describes specific entities, functions and mechanisms within supply must also evolve to be more clear and definitive.

ISM continues to urge professionals to use the term "supplier" rather than "vendor." ISM believes "supplier" more accurately describes the perspective and position of today's supply professionals.

### **Mastin Wins CPSM Study Guide at Annual Conference Drawing**

Steve Mastin, C.P.M., and senior buyer with Novell Corporation in Provo, Utah, is the winner of a new *Certified Professional in Supply Management (CPSM) Study Guide* during this year's Annual International Conference and Educational Exhibit in Las Vegas. Mastin will receive a copy of the *Study Guide* after the first printing of the book later this year. The *CPSM Study Guide* will be the first of several study materials designed to help you attain your CPSM qualification.



As a lifetime C.P.M., Mastin says he is excited to take the CPSM Bridge Exam. He notes that by bridging to the CPSM, professionals won't have to re-test on materials they have already passed with the C.P.M.

"The bridge test is designed to bring you up-to-date," Mastin says. "By doing this I can take it to the next level. Plus, having both designations will be good for my career. We're also becoming more global in our approach to things," Mastin adds. "The CPSM will have much more of a global reach."

The *CPSM Study Guide* presents a foundation for the body of knowledge that candidates are required to demonstrate on the CPSM Exam. It also provides information on test specifications, examples of the testing format and question styles. Available late 2007, the CPSM Study Guide is an essential part of your study program.

## **Continuing Education Hours @ Annual Conference**

Don't forget to count your Continuing Education Hours (CEHs) received from your attendance of ISM's 92<sup>nd</sup> International Conference and Educational Exhibit, May 6-9, 2007 in Las Vegas. This year, a total possible of 22.75 CEHs can be counted toward your C.P.M. recertification or A.P.P. reaccreditation. Download the Conference Documentation Form on ISM's Web site at [www.ism.ws/files/certification/92ndLasVegas-2007.pdf](http://www.ism.ws/files/certification/92ndLasVegas-2007.pdf). Be sure to keep this form along with your other Continuing Education Hours documentation until you submit your application for C.P.M. recertification or A.P.P. reaccreditation.

## **Get CPSM information**

Sign up for [SupplyLine 2055: Certification Update](#) newsletter and [CPSM e-mail updates](#) on ISM's Web site.

## **ISM R. Gene Richter Awards Application Deadline Is September 28, 2007. Don't Be Left Out!**

Institute for Supply Management™ (ISM) announces the call for entries for the third annual ISM R. Gene Richter Awards for Leadership and Innovation in Supply Management. These prestigious awards are open to supply management departments of all sizes and geographic locations, both domestic and international. Entries should address big challenges for which new solutions have had wide organizational and/or supply chain impact.

ISM will accept entries through an online submission process from July 2 to September 28, 2007. Multiple entries are welcome in four award categories, including Process, Organization/Structure, People and Technology. Winners will be notified in January 2008, and award recipients will be publicly announced and honored in May 2008 at an awards dinner at ISM's 93rd Annual International Supply Management Conference and Educational Exhibit in St. Louis, MO.

Questions regarding the ISM R. Gene Richter Awards for Leadership and Innovation in Supply Management can be directed to Scott Sturzl, C.P.M., at 800/888-6276, extension 3105 (or, for callers outside the United States, 480/752-7890, extension 3105), or by e-mail at [richterawards@ism.ws](mailto:richterawards@ism.ws).

For information on entry categories, applying for the 2008 awards or to download the 2007 Richter Award Winners Brochure click here ([www.ism.ws/richterawards/index.cfm](http://www.ism.ws/richterawards/index.cfm)).

