



Supply Line 2055, Certification Update

Volume 16, June 2006

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The 45,000th C.P.M. — and Proud of It!

Aaron J. Carpenter is the 45,000th Certified Purchasing Manager (C.P.M.) — and proud of it. Carpenter, Process Innovation Leader at Dresser-Rand, says getting his C.P.M. was a challenge, but the benefits to him and Dresser-Rand are many. "A C.P.M. gives professionals the ability to think of solutions to problems they may never have found without it," he says. "The skills learned through C.P.M. certification help make professionals much more effective."

Carpenter notes that he decided to get his C.P.M. for this exact reason — to improve his skill set and capabilities. "I wanted to get my C.P.M. for self growth and to continue my education. Our supply chain group at Dresser-Rand is working to attain better knowledge and abilities," he notes, "Plus, entering into continuing education opportunities provide an example and encouragement for lower-level buyers."



Carpenter stresses that some of the most-needed skills for new professionals in supply management are data analysis and negotiation. He said that in today's business world, supply professionals whose main focus is purchasing need to have additional abilities to be effective.

"It's a necessity," he adds. "Supply managers need to have all-around skills — more than just purchasing. Having a broad range of extra skills can give you the ability to have a significant impact on your organization."

Education Level Survey Indicates High Interest in the CPSM

ISM's online education level survey of current C.P.M.s indicates that interest in the upcoming Certified Professional in Supply Management (CPSM) Qualification is substantial.

Eighty-four percent of C.P.M.s who have updated their information have earned their bachelor's degrees and meet the minimum requirement qualify for the CPSM, according to the survey. Out of these professionals, approximately 82 percent say they intend to enter into the CPSM Qualification program when it becomes available in 2008.

Last fall, ISM announced the creation of the CPSM qualification. The CPSM will be a globally relevant supply management qualification that will prepare supply professionals to meet the current and future demands of the profession. The qualification will also address multidimensional roles such as strategic sourcing, commodity management, logistics management, supplier relationship management and supplier diversity.

Because it is ISM's mission to lead supply management, the organization does have the responsibility to bring about these needed credentialing changes. These changes come at a point in time when the C.P.M. is at an all-time strength, both in the United States and internationally. This strength will continue to bolster demand for all C.P.M.s worldwide.

"Supply management is evolving at such a high rate that the credentialing changes we are experiencing are not only good for the profession, but good for all C.P.M.s who will continue to recertify," ISM CEO Paul Novak says. "While these changes represent the evolution of supply management, the specialized skills that C.P.M.s possess will continue to be valued and in high demand well into the 21st century."

Take ISM's Online Education Level Survey (C.P.M.s)

The Institute for Supply Management™ (ISM) is currently updating its records on the education level of all active C.P.M.s. If you are currently a C.P.M., please [update your information](#) now.

ISM's 2006 Salary Survey Highlights

How does your compensation stack up to your colleagues? ISM's 2006 Salary Survey, published in the May issue of *Inside Supply Management®* magazine, indicates that education and certification make a significant impact on your income level.

INSIDE SUPPLY MANAGEMENT®



Average Salary by Highest Level of Education Completed

	<u>Total</u>	<u>Men</u>	<u>Women</u>
High school	\$59,971	\$75,636	\$51,159
Some college	\$58,157	\$63,412	\$54,403
Associate's degree	\$60,430	\$65,443	\$54,925
Bachelor's degree	\$79,368	\$84,065	\$70,990
Master's degree	\$99,373	\$105,823	\$83,118
Doctorate	\$110,222	\$112,625	*

Average Salary of Those with a College Degree by Major

	<u>Total</u>	<u>Men</u>	<u>Women</u>
Liberal Arts	\$88,948	\$96,710	\$73,955
Technical	\$93,977	\$94,065	\$93,477
Business, other than S.M.	\$81,861	\$89,769	\$69,068
Supply management	\$73,592	\$74,376	\$72,213
Other	\$75,458	\$83,031	\$65,484

Average Salary by Certification Status

	<u>Total</u>	<u>Men</u>	<u>Women</u>
One or more certifications	\$80,758	\$86,044	\$71,243
Not certified	\$76,411	\$87,312	\$62,130
Certified Purchasing Manager (C.P.M.)	\$83,172	\$87,348	\$74,484
Accredited Purchasing Practitioner (A.P.P.)	\$67,030	\$73,551	\$57,224
Certified in Production and Inventory Management (CPIM)	\$75,721	\$80,070	\$64,849
Certified in Integrated Resource Management (CIRM)	\$73,357	\$79,200	*
Certified Professional Public Buyer (CPPB)	\$72,793	\$80,200	\$67,503
Certified Public Purchasing Officer (CPPO)	\$114,824	*	*
Other	\$87,662	\$100,604	\$69,141

[View the entire survey.](#)

CPSM Web Seminars Build Understanding During Credentialing Changes

Institute for Supply Management™'s Certified Professional in Supply Management (CPSM) Qualification Web Seminar held on March 23, 2006 was a great success. Hundreds of professionals came online to find out more about the CPSM and credentialing changes related to the C.P.M. The following are highlighted questions and answers posed during the seminar.

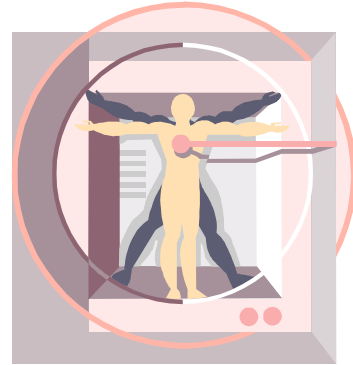
CPSM / C.P.M.

When will the CPSM be available? What are the requirements to earn the CPSM? What degree will fit best? What are the requirements to maintain the CPSM?

CPSM Requirements

ISM plans to have the CPSM available in 2008. We have not determined the actual date that the exam (regular or bridge) will be available. ISM will publish this information as soon as it is determined. The CPSM program requirements are as follows:

1. A four-year degree from a regionally accredited institution (if earned outside the US — must be evaluated by a third party for US equivalency — see C.P.M. application for more details.)
2. Pass all three exam sections *or* if a C.P.M. in good standing with a four-year degree, pass the one bridge exam
3. Document a minimum of 5 years of full-time professional (non-clerical, non-support) supply management experience.



The required degree does not specify acceptable majors, as many industries specifically look for degrees in non-business majors, for example chemistry for the pharmaceutical industry. In addition, there is no requirement for Continuing Education Hours (CEHs) in order to obtain the original CPSM.

Bridge Exam Information

Who is eligible? How many tests? What is the content? How to prepare?

Any C.P.M. in good standing who has a four-year degree from a regionally accredited institution can take the bridge exam to become eligible for the CPSM. This single exam will cover the contemporary content that is not covered in the current C.P.M. Exam and also those items that are now included within the expanded components of supply management. ISM plans to have study materials available to support those candidates using the bridge to minimize the amount of reference material required to prepare. The bridge exam will be available through December 31, 2014.

CPSM Study Materials

What types of study materials will be available? When will they be available? Will there be specific material for those taking the bridge exam versus all three exams?

ISM has begun the process of developing study materials to support the three new exams and the one bridge exam. We anticipate that we will have a Study Guide, a Diagnostic Kit and a new, three-book ISM Knowledge Series which will support CPSM Exam content. We envision the material to support the bridge exam as a subset of the entire program offering. We are working to have the materials available as soon as possible. We will keep you updated as the materials develop. Please sign up for the CPSM e-mail updates on our Web site.

CPSM Recertification

CPSMs will be required to earn 60 CEHs during their current certification period in order to maintain the designation. CPSMs will have the option to retest any or all of the exam modules for 20 CEHs each, but only during the last year of their certification period. Training that is at least one hour in length and related to your business, industry or job skills will count hour-for-hour. Training must be at least one hour in length and may be

self-study or face-to-face instruction. ISM allows instructors to receive CEH credit the first time they teach a course.

Like the C.P.M., the CPSM will also allow a one-year grace period in which candidates can recertify without penalty; however, a new certification date will be given based upon the date the recertification application is processed. ISM will not backdate to the expiration date but will go forward based upon the new recertification processing date. During the grace period, the CPSM designation should not be used by an individual, nor will ISM recognize that individual as a CPSM.

C.P.M. Requirements

What are the requirements for the C.P.M.? What are the C.P.M recertification and lifetime requirements? Can I be both a C.P.M. and a CPSM? What are the deadlines for registering for Exams and applying for the C.P.M.? How do I earn CEHs toward C.P.M. recertification? Is there a grace period after my certification lapses? How do I reinstate?

The current C.P.M. requirements have not changed — they are as follows:

1. Pass all four modules of the exam.
2. Document a minimum of 5 years of full-time professional (non-clerical, non-support) supply management experience *or* if you have a bachelor's degree from a regionally accredited institution you need only document 3 years of applicable experience.

* There is no requirement to have a degree to earn the C.P.M. It serves only to reduce the required number of applicable years of experience.

ISM will cease issuing new C.P.M. certifications after January 1, 2014. Applications for new certifications postmarked after December 31, 2013 will not be processed. ISM will continue to support the recertification process for all C.P.M.s and verify the status of C.P.M.s in good standing as we do today. As part of the phase-out of new C.P.M. certifications, ISM will cease processing exam registrations after December 31, 2008. It is permissible to take exams in advance of earning the necessary experience.

If a candidate has not already started working toward the C.P.M. certification, there is still plenty of time to begin and complete the process. Just make sure to leave yourself sufficient time to pass all of the modules before December 31, 2008.

C.P.M. Recertification

Those who have already earned their C.P.M. will be required to recertify every five years until Lifetime status is achieved. ISM will continue to process recertification applications in support of the program.

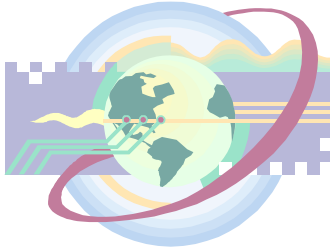
Recertification requirements are 84 CEHs earned during the current certification period. This will not change. It is counted hour-for-hour in actual educational contact hours and must be at least one hour in length. Courses/seminars in business-related topics, college classes or contributions to the profession are applicable toward recertification. Please refer to the C.P.M. Recertification Application available on our Web site at www.ism.ws; select Certification, then Online Forms. Candidates can currently take Module 3 and/or 4 for 42 hours each. This option for earning CEHs will cease after December 31, 2008 when ISM stops accepting registrations for the C.P.M. Exam.

Lifetime C.P.M. Requirements

In order to obtain Lifetime Certification, a C.P.M. must document a total of 18 years of full-time professional supply management experience.

International Certification

ISM has agreements with many international organizations that support and promote our certification programs. Korea has the most international C.P.M. participants with 1,010 as of March 24, 2006. Key employers in Korea strongly support individuals who strive to obtain their designation. This kind of support encourages individuals to pursue and complete their C.P.M.



During the development of the CPSM exam content, we received input from several international subject matter experts. The CPSM will have more of an international focus which is reflective of how business is being done today.

Initially, the CPSM will be available in English only, but ISM does plan to offer it in multiple languages in the future. The translation process is a time-consuming one that requires ISM to ensure that the content remains true to the original intent after being translated. ISM will make decisions regarding the availability of the exam in multiple languages in a manner that will ensure that we maintain the integrity of the programs.

ISM Updates CPSM Frequently Asked Questions (FAQs)

ISM has updated the CPSM Frequently Asked Questions (FAQ) section on the ISM Web site. [Click here to see the FAQs.](#)

Onsite C.P.M. Exam Testing Increases in Popularity

ISM offers both a written and computer-based version of the C.P.M. Exams. Approximately 20 percent of all the exams administered in the 2004-05 fiscal year were onsite exams. This includes exams administered at the ISM Annual International Conference, by ISM affiliates and at individual organizations in the United States and abroad.

Over the past several years, ISM has worked with a number of organizations to administer onsite testing for their employees. This program is very popular with companies because it eliminates travel time and time out of the office.

For more information about onsite exams, contact Trish True, extension 3086, ttrue@ism.ws, or Kathy Braase, extension 3061, kbraase@ism.ws.

The New *Supply Management Handbook* Available Soon!

The new *Supply Management Handbook* will be available through ISM in July. Greatly expanded to include all of supply management, the book offers an A-to-Z encyclopedia of best practices and a synthesis of the leading roles and jobs within the profession as they are evolving.

Supply management is now in a continuous period of expansion. While many of the traditional functions remain as part of the basic core, each year new practices come to light in new areas with successes that translate into positive organizational performance.

The handbook looks forward to see the field of tomorrow, focusing on where opportunities may lie for the profession; it also offers insights into ISM's scan of the profession and a study focused on defining the nature of the field's leadership in the next three to five years.

Look for the new *Supply Management Handbook* on the ISM Web site! To order your copy, go to www.ism.ws/products, or call ISM Customer Service at 800/888-6276, extension 401.

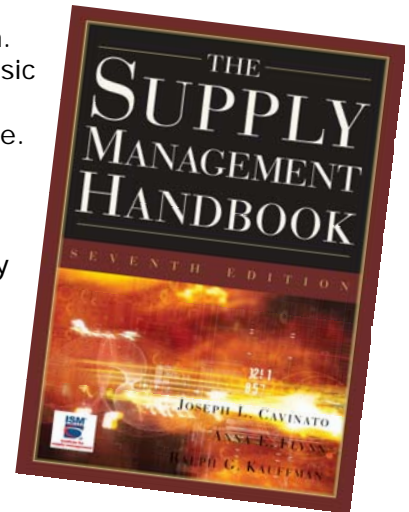


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Look for the new *Supply Management Handbook* on the ISM Web site! To order your copy, go to www.ism.ws/products, or call ISM Customer Service at 800/888-6276, extension 401.

June's Educational Resource Catalog Offers More!



The June edition of the ISM *Educational Resource Catalog* (ERC) has just come off the press and is packed full of books and seminars. The catalog details many of the different educational opportunities we offer to supply management professionals. These include seminars, high-level workshops, online and satellite courses, exam preparation and professional reference books, plus research and other services for business. ISM's *Educational Resource Catalog* is your complete source for supply management training and professional development materials — it's your road map to success!

For more information on how to get your own copy of ISM's *Educational Resource Catalog*, call ISM Customer Service at 800/888-6276 or 480/752-6276, extension 401, or visit us online at www.ism.ws.

Certification Contacts

If you have any questions regarding certification/accreditation, feel free to contact ISM's Certification Department via e-mail at certification@ism.ws or via the Certification discussion area at www.ism.ws.

ISM also has a C.P.M./A.P.P. automated telephone message system at 800/888-6276 or 480/752-6276, extension 3027. The automated system provides information about certification, accreditation and continuing education.

To contact individuals in ISM's Certification Department or Customer Service:

- **Customer Service (extension 401, custsvc@ism.ws)** — To order exam forms and applications for certification. To order C.P.M. study or other materials, register for exams and obtain answers to general questions.
- **Althea "Al" Levine (extension 3094, alevine@ism.ws)** — Processes C.P.M. and A.P.P. applications.
- **David Migliore (extension 3074, dmigliore@ism.ws)** — Assists in the day-to-day administration of the C.P.M. and A.P.P. programs; sets up special test centers and performs Certification Department duties.
- **Karen P. Collins, C.P.M., A.P.P., Manager, Certification (extension 3123, kcollins@ism.ws)** — Directs activities of the department and all related programs and policy matters.
- **Christina Foster, SPHR, Vice President of Certification and Diversity (extension 3011, cfoster@ism.ws)** — Develops new international alliances and advances the certification process.

Members Save!

Don't forget — as a member of ISM, you'll save money throughout the entire certification process. From study materials to recertification fees, members always pay less. In fact, savings often exceed the cost of dues. Of course, as an ISM member you'll also receive numerous other benefits, including discounts on other educational opportunities, unlimited access to the ISM Web site (including the popular Online Career Center), a subscription to *Inside Supply Management®* magazine and more. Join today and see what ISM can do for you! Call ISM Customer Service at 800/888-6276, extension 401, or e-mail custsvc@ism.ws.