



September/October, 2006 Issue

Tools for Professional Excellence

By Andrew K. Reese

A look at how professional certification is bringing benefits to more than just the individual supply chain executive

Paul Sas took the old-fashioned route to earn his supply chain chops. "I did it the hard way," says Sas, who is district director for supply chain services at Palomar Pomerado Health, a San Diego-based health care system. "I have an undergraduate degree in health administration, a graduate degree in health administration and 30 years of experience."

But when it came to giving his supply chain team at Palomar Pomerado the tools they need to be effective in their jobs, Sas elected to send his staff along a different route: professional certification.

Evolving Options

The supply chain field offers a variety of certifications for professionals looking to increase their skill levels and demonstrate their qualifications. And despite — or perhaps because of — changes in the supply management profession, certification continues to be valued in corporate hiring. Peruse such online job databases as CareerBuilder.com or Monster.com and you will find postings advising "APICS Certified Production and Inventory Management (CPIM) certification preferred," "Certified Purchasing Manager (C.P.M.) certification is highly desirable" and "Logistics certification such as Certified Logistics Professional (CLP) required."

The principle purveyors of certification curricula continue to be professional organizations such as APICS The Association for Operations Management, the Institute for Supply Management (ISM), the International Warehouse Logistics Association (IWLA) and similar nonprofit groups. (See sidebar "Certification Resources" for additional organizations offering certification programs.)

With the supply chain field continuing to evolve and grow in strategic value to enterprises, many of the certification organizations have modified their training courses and come out with new designations to reflect the changing times. ISM, for example, announced in February that it will phase in, beginning in 2008, a new Certified Professional in Supply Management (CPSM) designation that would "recognize the

expanded education, skills and experience needed to be successful as a supply manager." Elsewhere, in April the American Society of Transportation and Logistics (ASTL) launched its Professional Designation in Logistics and Supply Chain Management (PLS), an entry-level certification for "professionals seeking an understanding of the key strategies for improving customer service and increasing the efficiency of their logistics and supply chain operations."

Education and Validation

The new designations are attracting the interest of supply chain professionals. When APICS announced its Certified Supply Chain Professional (CSCP) designation last November, for instance, it caught the attention of Kris Anderson, a senior business planning consultant with Baxter Planning Systems, an Austin, Texas-based provider of solutions for the services supply chain.

According to APICS, "The CSCP program takes a broad view of the field, extending beyond internal operations to encompass all the steps throughout the supply chain — from the supplier, through the company, to the end consumer — and provides you with the knowledge to effectively manage the integration of these activities to maximize a company's value chain."

Anderson has more than 18 years of work in service parts planning, logistics and supply chain under his belt, including at Hewlett-Packard Co. and in the United States Navy Reserve, where he served 19 years of active duty and reserve time before retiring with the rank of commander. He also holds a Bachelor of Science degree in civil engineering from Cornell University and a Master of Science degree in systems management from the University of Southern California. Yet, even with his educational and "real life" credentials, Anderson still saw value in going through the new certification course.

"Even though I have a lot of experience in this field, I viewed the CSCP certification as a way to both challenge myself and to validate my knowledge and expertise," says Anderson of the program, which involves a self-study course combined with a series of workbooks and online Q&A. "The program also gave me the chance to see what the latest thinking was in the industry and to bring my skills up to date," he says. In addition, Anderson believes that the certification will benefit his company. "Going forward, we're going to need to find additional ways to differentiate ourselves, and this certification is one more way that we can do that," he says.

Broadening Perspectives

At Palomar Pomerado, Paul Sas similarly believes that the supply chain training that his staffers are receiving on their way to certification will provide benefits both to the individual team members and to the healthcare system that employs them. Palomar Pomerado provides services to Southern California's Inland North County, covering an 800-square mile area that is the largest hospital district in California. Sas runs a supply chain staff of 38 people supporting the system.

The healthcare industry traditionally has operated something of a unique supply chain. Beyond the large number of manufacturers and suppliers serving the industry, and the broad specifications that supply management staff must take into consideration, the field also is very clinical-driven and more political in nature than might be the case elsewhere, according to Sas. With a largely young staff — including several team members still in college — Sas says that he looked to an external training program in part to help improve the staff's ability to drive hard-dollar savings, but also to expose the staff to supply chain concepts and procurement skills from outside the industry that they could then apply on the job. "I was looking for a program that would supplement their hospital training and introduce them to a broader spectrum of purchasing responsibilities than they would get just in healthcare," he explains.

The staff members that Sas initially wanted to involve in training were already working full-time, so Sas specifically sought an online program that would provide self-paced, flexible courses through the Internet. He looked at several options, including the Certified Purchasing Professional (CPP) and Certified Professional Purchasing Manager (CPPM) programs available through the American Purchasing Society, a professional association of buyers and purchasing managers that stakes the claim of being the first organization to establish certification for professionals in the field. Ultimately, however, Sas elected to go with a relatively new certification offered by Next Level Purchasing, a six-year-old company headquartered near Pittsburgh in Moon Township, Pa.

Next Level Purchasing offers a Senior Professional in Supply Management (SPSM) certification program. The program, which costs \$1,149 per student, comprises six online courses, including Mastering Purchasing Fundamentals, Microsoft Excel For Purchasing Professionals, Supply Management Contract Writing, Microsoft Project For Purchasing Professionals, 14 Purchasing Best Practices and Savings Strategy Development. Upon completion of the coursework, students must pass the online SPSM exam to receive their SPSM certification.

Building Independence

Besides the convenience of the online courses, Sas says that he went with the Next Level Purchasing program because it focused more on giving the students skills to help them act independently. "I really push being independent thinkers," Sas says, "and what Next Level does best is improve their ability to be self-directed."

Next Level Purchasing's emphasis on building supply chain professionals' ability to act autonomously stems from the personal outlook of the company's founder and president, Charles Dominick. Himself a C.P.M., Dominick spent most of the 1990s working in, and managing, procurement departments for such organizations as Kurt J. Lesker Co., US Airways and the University of Pittsburgh before putting up his own capital to set up Next Level Purchasing. Based on his experience in the field, Dominick says that he now believes one of the key challenges facing supply management organizations today is that staff members are not being encouraged, or are not acquiring the necessary skills, to be independent actors. As a result, he says, "they are not letting their leaders lead."

Explaining further, Dominick says that he believes it is the job of the procurement leader within an organization to act as the interface between the company's senior management and the rank-and-file, helping to communicate the enterprise's strategic goals to the staff and ensuring that the staff's performance supports those goals. However, all too often, when something goes awry in the supply chain, the staff sends the problem up the chain of command for resolution rather than addressing the issue themselves. "Instead of the buyers or the purchasing agents handling it and coming up with their own solutions, they often get their managers involved to make the phone calls, talk with the suppliers or identify alternate sources of supply," Dominick says. "A lot gets upwardly delegated, and that really detracts from the leaders' ability to focus on what upper management's vision is, communicate that down to the buyer and establish processes that support senior management's decisions."

The first two Palomar Pomerado staff enrolled in the SPSM Certification Program in November 2005 and completed their SPSM certification in July, and additional team members currently are enrolled in the training. Sas says that eventually he would like to put all his purchasing staff through the program. His department has what Sas describes as "pretty aggressive accountability," but he nevertheless believes that it will take time before the benefits of the certification become evident. He says that he will be looking for benefits brought to the health system's bottom line in the form of hard-dollar savings, but he will also be looking at the "soft savings" that a more self-motivated and self-directed staff will provide. In addition, Sas is counting on the certification to lead to better staff morale and increased retention over the long-term.

Asked whether by providing his staff with additional training and increasing their "market value" as supply chain team members, he might, inadvertently, make these same staff more attractive for other enterprises, Sas says that one of his goals in managing his organization is to ensure that his staff have room to grow within the function so that they can continue to contribute to the health system over the long-term. "I work to provide opportunities here so that people will view it as a place where they can grow," he says. Providing professional training and certification, Sas concludes, is one way to ensure that the staff members continue to grow within Palomar Pomerado rather than taking their on-the-job experience elsewhere.

SIDEBARS

Why Certify?

You and your staff are already running lean, and everyone has plenty to keep them busy. So why seek certification for your staff or yourself? Charles Dominick, founder and president of Next Level Purchasing, which runs the Senior Professional in Supply Management (SPSM) certification program, offers this rationale:

"There have been a lot of changes going on in purchasing, and people in purchasing today are doing different things than they did 20 years ago, 10 years ago and even five years ago. Now it's easy to say that I'm qualified because I've been in my job for 20 years, but that's not really an indicator of how skilled I am or how capable I am of delivering great performance. I could be doing the same things that I was doing 20 years ago and doing them just as badly. Certification provides a third-party standard that I am meeting. Certification allows me, as an individual, to know that I am keeping up and that I am meeting those third-party standards. It also gives managers and hiring managers a good understanding of how talented their people are, and it's a way of differentiating two seemingly equal individuals."

Certification Organizations

Organizations offering supply chain certification programs include:

AIIM — The Enterprise Content Management Association www.aiim.org

American Purchasing Society www.american-purchasing.com

American Society of Transportation & Logistics (AST&L) www.astl.org

APICS The Association for Operations Management www.apics.org

Chartered Institute of Purchasing & Supply (CIPS) www.cips.org

Computing Technology Industry Association (CompTIA) www.comptia.org

Institute for Supply Management (ISM) www.ism.ws

Institute of Logistical Management www.logistics-edu.com

Institute of Packaging Professionals (IoPP) www.iopp.org

International Warehouse Logistics Association www.iwla.com

Materials Handling & Management Society (MHMS) www.mhia.org

National Association of Purchasing Card Professionals (NAPCP) www.napcp.org

National Private Truck Council (NTPC) www.nptc.org

Next Level Purchasing www.nextlevelpurchasing.com

SOLE — The International Society of Logistics www.sole.org