

DARE TO LEAD

Prepare for Success

Certified Professional in Supply Management





**institute for
supply management**

Founded in 1915, the Institute for Supply Management™ (ISM) is the largest supply management association in the world as well as one of the most respected. ISM's mission is to lead the supply management profession through its standards of excellence, research, promotional activities, and education. ISM is a not-for-profit association that provides opportunities for the promotion of the profession and the expansion of professional skills and knowledge.



Supply Management

ISM's definition of supply management is the identification, acquisition, access, positioning, management of resources and related capabilities the organization needs or potentially needs in the attainment of its strategic objectives.



A supply manager provides leadership by aligning resources to define and satisfy diverse internal and external customer needs through the acquisition and ongoing management of materials and services.

The Mission of ISM is

"To Lead Supply Management"

Goals:

- Expand the sphere of influence of supply management.
- Align Institute for Supply Management's organization with its Mission.
- Enhance Institute's revenue generation to ensure the resources necessary to support the Mission.

New Challenges/Opportunities for Supply Managers

- The Scope of SM will grow
- Supplier relationships deepen
- The CPO becomes a strategic partner to the Board
- Technology continues to be central to change



Overview

Institute for Supply Management™ (ISM) continues to lead supply management by developing a new professional qualification that will be relevant internationally and reflect the expanded education, skills and experience needed to be a successful supply management professional. ISM's Board of Directors recently approved the recommendation by the ISM Certification Committee that ISM develop a new professional qualification that recognizes those expanded competencies. The ISM Board directed that the program be available in 2008.



The CPSM (Certified Professional in Supply Management) is slated to be the profession's most rigorous qualification, representing the highest degree of professional competencies. Professionals who earn the CPSM will have a greater broad-based understanding of their organization's supply network, the skills to make better decisions and the knowledge to take advantage of the new global environment.

This initiative emerges out of a recommendation from ISM's Certification Committee and is supported by findings of the research study conducted with Knapp & Associates International Inc. Foremost among the study's conclusions is that pronounced changes in the field demand the new professional qualification must reflect higher skill levels across the entire spectrum of supply management.

How will your team Compete?

Is your supply team savvy enough to do more with less in a tough economy?

Do you have people who are promotable or who could be part of your succession plan? Are your managers knowledgeable enough in all of the components of supply management?

Do your staff members have the education, experience and level of certification sufficient to meet the needs of your organization?

Does your supply team have the innovation and vision to make a positive impact on the bottom line?

Why the CPSM Program Was Developed

The purchasing/supply management profession has been changing. Those involved in purchasing in the past are now much more involved in most aspects of the supply chain. ISM recognizes that changes in the field demand that the CPSM reflect the skills necessary for both today and tomorrow. The CPSM also addresses globalization and expanded competencies that supply management professionals employ to drive value in their organization. As the scope of the job evolved, and technology is becoming key to most supply management activities, there was a need to develop a qualification program to certify those performing these types of jobs.

In developing the specifications for, and content of, the exam, ISM developed a definition of supply management:

The identification, acquisition, access, positioning, management of resources and related capabilities the organization needs or potentially needs in the attainment of its strategic objectives.



Along with this definition, ISM maintains a list of supply management components:

Components of Supply Management

- Disposition/Investment Recovery
- Distribution
- Inventory Control
- Logistics
- Manufacturing Supervision
- Materials Management Packaging
- Product/Service Development
- Purchasing/Procurement
- Quality
- Receiving
- Strategic Sourcing
- Transportation/Traffic/Shipping
- Warehousing

The following chart shows results of a survey asking supply managers to rate each component and indicates whether each component is part of his/her personal job responsibilities and/or part of his/her supervisory responsibilities.



How the CPSM Program Was Developed

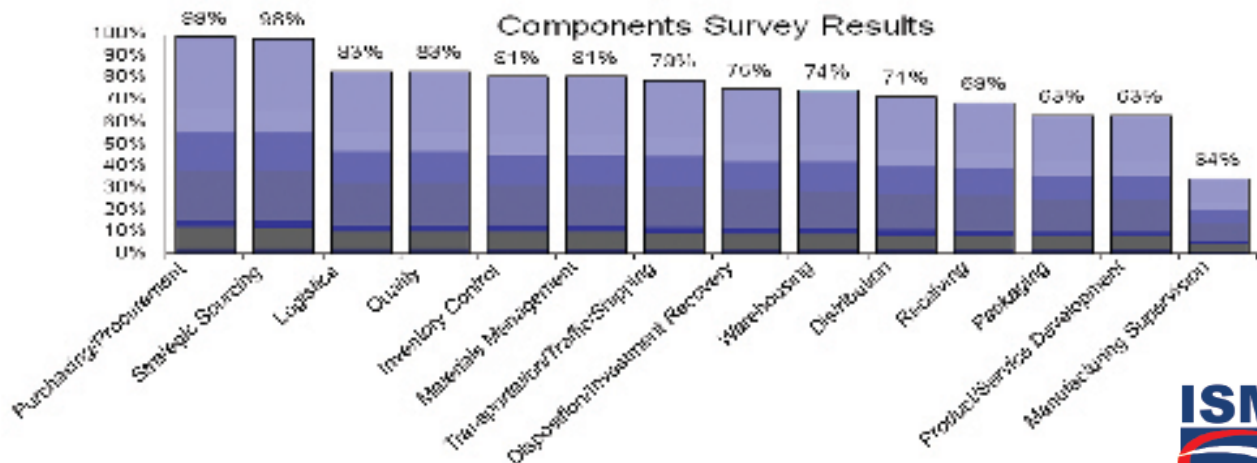
Significant market research was conducted. The job analysis process used to develop the CPSM Exam ranged from surveying to focus groups of and meetings with supply management professionals with varied amounts and expanse of experience. Participating individuals worked at a level of manager or higher and were employed by organizations with revenues of more than US \$ 1 billion from various industries. The CPSM Exams are not “final exams” in the field of supply management. The exams are not designed to cover the content of any particular course or curriculum in the area of supply management. Rather, they are designed to reflect the knowledge areas needed to perform the important occupational duties of professionals employed in the field of supply management.

Based on the results of the research and job analysis, ISM’s Professional Credentials Committee recommended program content to the ISM Board of Directors.

Certified Professional in
Supply Management

Supply Management Components

The supply management component is either part of the individual’s personal job responsibilities and/or supervisory responsibilities or the responsibility of someone else in the supply management organization.





What will the CPSM look like?

Number of questions & time allowed (domestic)

Exam 1 – 165 questions (150 scored)
2 hours and 45 minutes allowed

Exam 2 - 165 questions (150 scored)
2 hours and 45 minutes allowed

Exam 3 – 180 questions (165 scored)
3 hours allowed

Bridge Exam – 180 questions (all scored)
3 hours allowed

CPSM Exam 1

- **Foundation of Supply Management**

- 25 tasks
- Content Areas
 - Contracting / Negotiations (5 tasks) – 32 Questions
 - Cost / Finance (5 tasks) – 32 Questions
 - International (3 tasks) – 17 Questions
 - Social Responsibility (3 tasks) – 14 Questions
 - Sourcing (3 tasks) – 20 Questions
 - Supplier Relationship Management - (6 tasks) – 35 Questions

CPSM Exam 2

- **Effective Supply Management Performance**

- 24 tasks
- Content Areas
 - Forecasting (3 tasks) – 19 Questions
 - Logistics (4 tasks) – 19 Questions
 - Materials & Inventory Management (4 tasks) – 19 Questions
 - Organization / Department Assessment (4 tasks) – 26 Questions
 - Planning (2tasks) – 15 Questions
 - Product Development (2 tasks) – 12 Questions
 - Project Management (2 tasks) – 19 Questions
 - Quality (3 tasks) – 21 Questions

CPSM Exam 3

- **Leadership in Supply Management**

- 32 tasks
- Content Areas
 - Leadership (18 tasks) – 96 Questions
 - Risk and Compliance (8 tasks) – 32 Questions
 - Strategic Sourcing (6 tasks) - 37 Questions


CPSM Bridge Exam

- The bridge will be a single exam covering contemporary subject matter and content not covered in the current C.P.M. Exam.
- The bridge will be available to test through the end of 2014.

CPSM Bridge Exam

- Contracting / Negotiations (3 tasks) – 5 Questions
- Cost / Finance (5 tasks) – 12 Questions
- International (3 tasks) – 8 Questions
- Social Responsibility (3 tasks) – 5 Questions
- Sourcing (2 tasks) – 2 Questions
- Supplier Relationship Management (4 tasks) – 6 Questions
- Forecasting (2 tasks) – 5 Questions
- Logistics (4 tasks) – 12 Questions

CPSM Bridge Exam

- Materials & Inventory Management (4 tasks) – 12 Questions
 - Organization / Department Assessment (3 tasks) – 10 Questions
 - Planning (2tasks) – 9 Questions
 - Product Development (1 tasks) – 3 Questions
 - Project Management (2 tasks) – 8 Questions
 - Quality (1 tasks) – 3 Questions
 - Leadership (10 tasks) – 30 Questions
 - Risk and Compliance (6 tasks) – 15 Questions
 - Strategic Sourcing (6 tasks) – 35 Questions
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The timeline for sunsetting the C.P.M. program and launching the CPSM program is outlined below:

- Feb. – Mar. 2008: CPSM Pilot Exam
- May 2008: CPSM Public Exams offered
- May 2008: CPSM Bridge Exam available
- Dec. 31, 2008: Last day to register for C.P.M.
- Dec. 31, 2009: Last day C.P.M. Exam is available
- Dec. 31, 2013: Last day to apply for C.P.M. designation
- Dec. 31, 2013: Last day to register for the CPSM Bridge Exam
- Dec. 31, 2014: Last day the CPSM Bridge Exam is available

CPSM Bridge Exams for C.P.M.'s

C.P.M.s in good standing with a bachelor's degree who wish to attain the CPSM need only take one Bridge Exam. The CPSM Bridge Exam is a single exam covering content not included in the current C.P.M.

CPSM Recertification Requirements

Requirements for recertifying a CPSM are listed below:

- Every three years with 60 continuing education hours (CEHs)
- Categories for earning CEHs: college courses and seminars (taken or taught); contributions to the profession; articles written
- Candidates will be able to retake each CPSM Exam for 20 CEHs but only in their last year of certification or during their grace period.

CPSM Course Outline

Building the Foundation -- CPSM Module 1

Content Areas

Contracting/Negotiations
Cost/Finance
International
Social Responsibility
Sourcing
Supplier Relationship Management

Building Successful Performance – CPSM Module 2

Content Areas

Forecasting
Logistics
Materials & Inventory Management
Organization/Department Assessment
Planning
Product Development
Project Management
Quality

Building Leadership – CPSM Module 3

Content Areas

Leadership
Risk and Compliance
Strategic Sourcing



Other Requirement

A. Eligibility

- Three years of experience
- Full-time; professional; non-clerical, non-support
- Bachelor's degree from a regionally accredited college or university or the equivalent earned outside the United States
- Successful passing of the Bridge Exam with a valid C.P.M. OR Successful passing of the three CPSM exams
- Application process

B. ISM Materials (optional)

- CPSM Study Materials
 - CPSM Study Guide
 - CPSM Book Series (3 volumes)
 - CPSM Supplemental Reading List
 - CPSM Diagnostic Kit – 2009
 - The Supply Management Handbook
 - ISM Glossary of Key Supply Management Terms



C. ISM Exam Fee

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

*Prices are subject to change without prior notice.

D. Application Fee

- a. 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 non-members until August 31, 2008. After September 1, 2008, application fees for members will be \$90*, non-members \$150.

*Prices are subject to change without prior notice.

For more information contact
FSOL Information Company
Phone: +966 (1) 216 0221
Fax: +966 (1) 216 0223
info@FSOLinfo.com
www.FSOLinfo.com

Supporting Organization



The **Procurement and Sourcing Institute of Asia (PASIA)** is the leading regional procurement and sourcing association that networks senior level executives in charge of managing spend in the company through procurement and sourcing strategies. It is a unique network that leverages across countries in the Asia-Pacific region and tackles strategic procurement and supply management issues. It is a non-profit, non-stock organization based in Asia that raises the bar and professionalizes the procurement industry. It also aims to welcome a community of procurement, finance, legal, manufacturing, IT and C-level executives addressing the needs and concerns of supply management in Asia-Pacific region.

www.pasia.org • Email: info@pasia.org

Transprocure (www.transprocure.com) is a leading global procurement solutions and services company. Our clients are leading multinational and local companies in various industries of varying sizes. Transprocure helps many organizations around the world on Spend Management through a combination of technology solutions and domain expertise in procurement, sourcing and contracts management. Our key differentiators are our focus and domain expertise on procurement experience, scalability and cost advantage.



FSOL Information Company (www.fsolinfo.com) is Transprocure partner for deploying CPSM in Saudi Arabia. For more information on CPSM training in Saudi Arabia contact FSOL Information Company on:

Phone: +966 (1) 216 0221
Fax: +966 (1) 216 0223
info@fsolinfo.com

THE INDUSTRIES THAT WE SERVE ARE:

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- Telecommunications ●
- Utilities ●



CORE SERVICES

- Strategic Procurement ■
- eProcurement ■
- Procurement Outsourcing ■
- Procurement Augmentation ■