Institute for Supply Management™

Preparing Purchasing and Supply Professionals for the Future
Today, the world’s business environment is rapidly changing.

Organizations are striving to succeed by identifying accelerated and different means that will give them a competitive advantage. In this environment, “purchasing” has become less descriptive of what purchasing professionals are actually doing. Increasingly, these professionals are becoming more and more responsible for a supply of goods and services necessary to meet an organization’s strategic objectives. No longer can a purchasing professional merely receive requisitions or consolidate purchase orders. New and expanded sets of behaviors, strategies, and skills are being required for both the purchasing professional and the purchasing organization. Both are being challenged to expand into this new business environment. Today, and for the future, strategic and innovative supply management is what will ensure the success of an organization.

The Institute for Supply Management™’s (ISM’s) goal is to lead supply professionals and their organizations to be successful in this new business environment by assisting in broadening the strategic view of supply management through education, research, and leadership. We are recognized worldwide as a center of excellence that establishes, builds, and maintains world-class professional standards of competency and conduct for supply management professionals and organizations. And, we are partners in ensuring your success and your organization’s success.

I hope you are a part of these new and exciting changes in the field. This brochure provides more information on ISM, and what it can offer you and your organization as you develop new orientations, skills, and capabilities to help guide your organization. Through its programs and products, ISM offers the tools and information you will need to move forward. We are dedicated to providing guidance as the new business environment unfolds. And we are dedicated to ensuring our members are key players in the future.

Paul Novak, C.P.M., A.P.P.

Chief Executive Officer
Institute for Supply Management™
Supply management has come of age — the power of change is moving through the field, altering, expanding, and enhancing all that the purchasing profession traditionally has done. Supply management has become a strategic requirement for success for organizations throughout the world, and mandates strategic and innovative action by supply management professionals. The Institute for Supply Management™ is a driving force in this new “frontier” and is the partner you need to succeed as a world-class supply management professional.

Supply management — What is it? And how does it affect YOU?

ISM defines “supply management” as the identification, acquisition, access, positioning, and management of resources an organization needs or potentially needs in the attainment of its strategic objectives. Organizations seeking to thrive in today’s fast-paced, globally changing marketplaces are requiring accelerated and different means for determining what is needed, mechanisms for interpreting those needs, and effective processes for implementing them to attain a competitive advantage. Assertive energy is needed on the supply side of businesses and markets to assist organizations in achieving that advantage. Supply management’s structure, roles, functions, and systems will be challenged and examined for strategic, operational, and executable efficiency and effectiveness.
Purchasing is still at the core of supply management. However, new and evolving roles are being called for to meet the strategic imperatives organizations are facing today, and will face in the future. Supply management professionals need to provide more strategic advice and practices beyond procurement.

In addition, supply management organizations require new and expanded sets of behaviors, strategies, and skills from that part of the organization that has long been called “purchasing.”

Supply management organizations must be:

- Future oriented
- Of interest and concern to senior management
- Strategic in relation to the competitive imperatives of the organization
- Able to identify what might provide value and uniqueness to the organization’s offerings in its marketplaces

Through the combined efforts of supply management professionals and supply management organizations, a strategic “revolution” is taking place in organizations throughout the world. Developing a competitive advantage has become critical in today’s business world … supply management is the key to successfully achieving it!

A supply management professional must assume:

- A leadership role — seeking new opportunities in the marketplace and driving them
- A management role — managing systems and relationships
- A creator role — identifying new opportunities and making them available to the organization, e.g., creating strategies, systems, supply options, and revenue opportunities
- A needs enabler role — enabling others in the organization to satisfy their own needs
This figure illustrates how the field had expanded from buying to procurement in the 1990s.*

*Excerpted from Joseph L. Cavinato, Senior Vice President, Institute for Supply Management™, Supply, July 2001 (a white paper analyzing the expansion of the purchasing field into new value-added roles in the organization).
Building on a Great Past

The Institute for Supply Management™ has a solid history as the leading organization for purchasing and supply management professionals. Established as the National Association of Purchasing Agents in 1915, the organization became the National Association of Purchasing Management to better reflect changes in the field. As such, NAPM became the world’s leading educator of purchasing professionals and a valuable resource for decision makers in major markets, organizations, and government. The association led the field by providing educational programs, publications, certification, and volunteer support to those persons who provide critical purchasing support to business organizations worldwide. The association also led the way in setting ethical and professional standards for the purchasing profession, and contributed to the development of similar standards in other countries.

NAPM’s contributions, however, also extended to providing valuable information on economic trends within the manufacturing and non-manufacturing sectors in the United States. NAPM was the source of the widely recognized and highly respected Manufacturing and Non-Manufacturing Report On Business®. For over 70 years, the Manufacturing Report On Business® has been referenced and used by leading private and public economists to track and predict the country’s manufacturing economic environment. In 1997, NAPM built on this tradition by creating the Non-Manufacturing Report On Business®, and in 2000, in collaboration with Forrester Research, it developed and released the Report On eBusiness.

Recognizing that supply management is a long-term business trend for organizations seeking to succeed, the association’s leadership concluded that NAPM had to reposition itself in order to meet the needs of and help lead purchasing and supply management professionals in the 21st century. Consequently, in April 2001, NAPM’s members voted to change the association’s name to the Institute for Supply Management™. By doing so, NAPM cast itself into a broader context and is assisting in broadening the strategic view of supply management. ISM is committed to supporting this trend now, and for the future.
ISM — Creating the Future of Supply Management

Changing the association’s name makes clear that this important business trend is underway. The Institute for Supply Management™ leads the profession by meeting the needs and goals of the profession, as well as the professional, now and in the future as the field changes and grows in the new business environment.

As an educational organization, ISM is continuing and enhancing the tradition begun by NAPM, and is a leader and innovator in the area of supply management through education, research, and leadership. These initiatives assist ISM’s members and others in the field in becoming leaders and innovators.

By embracing the emerging supply management initiatives, ISM serves new audiences, including chief supply officers, chief purchasing officers, and other executive management; purchasing managers; supply managers; buyers; and students and others entering the field, as well as supply management professionals from new economic sectors.

ISM offers a variety of programs and products that reflect its commitment to providing innovative and leading-edge education on supply management issues. A new initiative begun in 2000, the Center for Strategic Supply Leadership (CSSL) is an important part of ISM’s growth of services and programs targeted for top executives. CSSL is devoted to detecting and interpreting senior management perceptions and expectations related to their firm’s supply capabilities and performance. CSSL examines and analyzes new activities that are beyond traditional purchasing, as well as the...
interfacing areas of an organization where integrated actions and leadership/management promise benefits to organizational performance.

In addition, ISM offers a broad spectrum of programs and publications that cover not only purchasing topics but also those cast in the framework of supply management. ISM’s programs include executive programs, seminars, conferences, and onsite training. The Annual International Supply Management Conference, held each May, draws thousands of supply management professionals from throughout the world, and is recognized as the most important educational and networking conference offered for supply management professionals. ISM’s executive programs bring together chief purchasing officers from leading organizations throughout the country to discuss the trends and future activities in the supply management field. Other seminars, conferences, and technology-based offerings are key educational, informational, and networking tools that assist in the development of existing and new supply management skills.

The ISM Report On Business® is recognized globally for the significant role that it continues to play in identifying, measuring, and reporting significant economic trends in the U.S. manufacturing and non-manufacturing sectors. The Report is an important tool for supply managers who are watching business and market trends, and determining how they affect their organization.

ISM’s prestigious certification and accreditation programs reflect the best measurement of purchasing and supply competencies. The Certified Purchasing Manager (C.P.M.) and Accredited Purchasing Practitioner (A.P.P.) are recognized and valued worldwide, and ISM is committed to assisting countries throughout the world in establishing similar programs. These programs demonstrate the professional’s commitment to excellence in the supply management profession.
The premier supply management magazine, *Inside Supply Management™*, which discusses a wide spectrum of topics from the basic to the cutting-edge and strategic, is published by ISM. Other publications published by ISM that assist supply managers in the performance of their job are *ISM InfoEdge*, a guide to hands-on tools for supply managers, and *The Journal of Supply Chain Management*, an academic journal that includes research papers by leading academics and practitioners. ISM also offers a variety of books on supply management and purchasing topics as well as publications designed to assist with preparation for the certification and accreditation exams; these also can be used to update supply managers on key practices.

ISM has a long-standing affiliation with CAPS Research, the premier research center for supply management issues. Established in 1986 as a result of an affiliation between ISM and Arizona State University, the research center accomplishes three primary goals through its research program: the improvement of supply management effectiveness and efficiency, the improvement of overall supply management capability, and an increase in the competitiveness of U.S. companies in a global economy. CAPS Research has released more than 50 focus studies on supply management topics ranging from organizational relationships to CEOs’ expectations of the supply management function, as well as benchmarking reports on supply management performance. CAPS is developing Project 10X, a comprehensive plan to provide leadership, strategies, and visions for Fortune 500 companies that are positioning themselves as leaders in supply management.

ISM is recognized as a center of excellence that establishes, builds, and maintains world-class professional standards of competency and conduct for supply management. Because supply management is recognized as a profession that is integral to the operation of world-class organizations, ISM educates, develops, and advances the supply management profession through its programs and products.
It is an exciting time
to be involved in the field of supply management. The global importance
of supply management grows each year, and ISM’s role in impacting the
field is growing as well. The Institute for Supply Management™ has been,
is now, and will be the positive influence guiding the supply management
profession into an exciting and challenging future.

Organizations thriving in today’s fast-paced, globally changing marketplaces
use accelerated and different means for determining what is needed, develop
mechanisms for interpreting those needs, and initiate effective processes for
attaining a competitive advantage.

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