

TVPPA

Purchasing Certificate Proposal

Purchasing Workshop

April 3, 2008

Murfreesboro, TN

TVPPA Purchasing Certificate Planning Process

- Initiated after requests from several TVPPA member purchasing representatives
- Volunteers solicited to serve on development subcommittee to determine program scope and curriculum
- Initial conference calls including Institute for Supply Management (ISM) to explore partnership and customization opportunities
- Review of existing ISM content areas to match with TVPPA member needs
- Proposed Purchasing Certificate curriculum developed

Development Subcommittee

Member Representatives

- Chris Cooper, Middle Tennessee EMC, Murfreesboro, TN
- Deborah Corbitt, Nashville, TN Electric Service
- Mike McDonald, Florence, AL Utilities
- Bruce Purdy, North Alabama EC, Stevenson, AL
- Diane Simpkins, Murfreesboro, TN Electric Department
- Debbie Vernon, Warren RECC, Bowling Green, KY

Institute for Supply Management

- Antoinette (Toni) Caserta, ISM, Tempe, AZ

ISM Content Areas Reviewed

- Commodity Management
- Cost and Price Strategies
- Ethics and Social Responsibility
- Finance
- General Management and Leadership
- Global Positioning
- Legal Concepts and Contracting
- Logistics and Transportation
- Manufacturing and Production
- Materials Management and Inventory Control
- Negotiations and Collaboration
- Purchasing and Supply Management
- Quality Control and Management
- Relationship Management (Supplier and Customer)
- Risk Management and Compliance
- Services Purchasing
- Strategic Supply Management
- Technology and Innovation

Proposed Curriculum

Core Curriculum

- Ethics and Social Responsibility
- Materials Management and Inventory Control
- Purchasing and Supply Management
- Relationship Management
- Strategic Supply Management

Elective Courses (Choose 3)

- General Management and Leadership (TVPPA content)
- Legal Concepts and Contracting
- Services Purchasing
- Commodity Management
- Cost and Price Strategies

Partnership with ISM

How the Partnership Will Work?

- For each identified content area ISM can provide tailored courses outlines for the committee to review.
- In working with the committee, ISM and TVPPA can ensure the course content is applicable to the utility industry.

Projected Timelines

- Typically, the process of reviewing content outlines with the committee and formulating course content takes **60 -120 days**.
- Projected certificate launch date – **January 2009**
- On average, ISM instructor-led, classroom based courses are 2-3 days in duration.
- Due time constraints and the amount of learning objectives for some content areas, ISM would recommend a blended learning program approach for the TVPPA Certificate.

What is Blended Learning Program?

Definition:

- Blended Learning Program combines various educational delivery mediums together to create one program.
- Instructor-led, classroom based seminars and self-study, online courses.

3 Reasons Why Blended Learning Programs are Important to Purchasing/Supply Management Professionals:

1. **Saves time**
2. **Saves \$\$\$**
3. **Green & Socially Responsible way to implement training programs by cutting down on travel.**

Ethics & Social Responsibility

2 Instructor- Led Seminars:

1. Business Ethics & Supply Management
2. Environmentally Preferred Purchasing

Example of Blended Program:

- Take *Ethics: A Behavioral Awareness Tool* online as a prerequisite and before taking the instructor-led, classroom based seminar, *Environmentally Preferred Purchasing*.
- Estimated time to take *Ethics: A Behavioral Awareness Tool* is 3-4 hours.
- Standard version of *Environmentally Preferred Purchasing* seminar is 2 days in duration.

Materials Management and Inventory Control

Examples of Instructor- Led, Classroom Based Seminars:

- Basic Principles of Inventory Control
- Inventory Management
- Achieving and Maintaining Inventory Accuracy
- Principles of Effective Inventory Management
- Fundamentals of Materials Management
- Improving MRO Management
- Optimizing the MRO Supply Chain
- Supplier Capacity Evaluation
- Understanding Supplier Capabilities, Capacity and Constraints

Blended Learning Suggestions:

- Substitute the seminars, Fundamentals of Materials Management and Improving MRO Management, with the online course, Best Practices of Indirect Materials & Services (MRO).
- Best Practices of Indirect Materials & Services (MRO) is 7-10 hours in duration and should be a prerequisite to the instructor-led, classroom based seminars.

Purchasing and Supply Management

Examples of Instructor- Led, Classroom Based Seminars:

- Fundamentals of Purchasing: The Building Blocks of World-Class Professionalism
- Consortium Purchasing
- Developing and Managing an Effective Supplier Diversity Program
- How to Maximize and Internet Reverse Auction
- How to Gain Value from Benchmarking
- Capital Equipment Purchasing: Big Risk, Big Dollars and Big Results
- Effective Supply Management: Analytical Techniques for Decision Making
- Advance Purchasing Practices

Blended Learning Suggestions:

- Can substitute classroom based seminar, Fundamentals of Purchasing, with the online version.
- The online version of Fundamentals of Purchasing is 7-10 hours in duration.
- Suggest making this course a prerequisite to taking the instructor- led seminars.

Relationship Management

Examples of Instructor- Led, Classroom Based Seminars:

- Supplier Relationship Management for Collaboration, Impact and Business Success
- Leading and Managing Supply Relationships
- Communicating Effectively with Your Supply Base
- Supplier Selection and Evaluation
- Developing a World-Class Supply Base

Blended Learning Suggestions:

Substitute classroom based seminars, Supplier Selection and Evaluation and Leading and Managing Supply Relationships with 2 online courses:

1. Achieving Value-Add Through Supply Alliances – 7 to 10 hours in duration
2. Managing & Improving Supplier Performance - 7 to 10 hours in duration

Strategic Supply Management

Examples of Instructor- Led, Classroom Based Seminars:

- Best Practices in Procurement
- Effective Supply Management: Analytical Techniques for Decision Making
- Effective Strategies: Building Purchasing Value for Your Organization
- Supply Market Intelligence: Integration for Optimization
- Forecasting Applications for Supply Management

Note:

- This topic area would be more effectively covered in seminar environment.
- Need for instructor- facilitated group discussion and exercises to convey learning objectives effectively.
- Will need to work with committee to tailor the courseware content.

General Management & Leadership

- **Leadership Bridge** – There have often been situations where a management approach was used with someone that didn't get the desired results. This happens because most leadership training programs don't take the personalities of the leaders, or the people they manage, into account. The Leadership Bridge teaches leaders how to use four leadership styles to manage more flexibly. In addition, it provides a method for integrating these leadership styles with DiSC model behavioral styles to help participants focus on self-awareness by analyzing their personality in relation to their leadership style, and develop a personal growth plan to expand their range of behaviors. Participants learn how to diagnose the development level and personal preference of the people they manage as well. (3 days – Instructor led)

Legal Concepts and Contracting

Examples of Instructor- Led, Classroom Based Seminars:

- Legal Aspects of Supply Management
- Contracting Basics – What All the T's & C's Mean
- Contracting for Purchasing & Supply Management: Beyond the Basics
- Performance-Based Statements of Work (SOWs): Maximize Supplier Performance
- How Letters of Intent Can Be Employed in Supply Management
- Administering Contracts: From Start to Finish
- RFQ/Tender Management
- Legal Considerations of Software Licensing and Other Technology-Related Agreements
- Fraud Prevention in Contracts & Purchasing

Legal Concepts and Contracting Continued

Blended Learning Suggestions:

The following online courses can be used to substitute for seminars:

1. How Does the Legal System Impact a Supply Manager? (7-10 Hours)
2. Contract Law-The Primary Focus of Supply Managers (7-10 Hours)
3. Beyond the Basics of Contract Writing (7-10 Hours)
4. Contract Performance – Responsibilities & Rights in Contract Relationships (7-10 Hours)

With online course substitution- you can omit the following seminars:

1. Legal Aspects of Supply Management (3 Days)
2. Contracting Basics – What All the T's & C's Mean (2 Days)
3. Contracting for Purchasing & Supply Management – Beyond the Basics (2 Days)

Services Purchasing/Commodity Management

Services Purchasing

Examples of Instructor- Led, Classroom Based Seminars:

- Services Purchasing
- Strategic Services Procurement: Applying Strategic Sourcing Principles
- Achieving Peak Performance When Purchasing Services

Blended Learning Suggestions:

- Performance- Based Service Procurement (10-14 hours)

Commodity Management

Examples of Instructor- Led, Classroom Based Seminars:

- Commodity Teams
- Category Management

Note: Suggest doing this proposed elective as an instructor-led, classroom based seminar.

Cost & Price Strategies

Examples of Instructor- Led, Classroom Based Seminars:

- Resisting Price Increases and Implementing Cost Improvement Initiatives
- Cost Effective Supply Chain Management
- Driving Down Cost Through Cost/Price Analysis
- Advanced Cost/Price Analysis
- Improving MRO Management
- Reducing & Controlling Cost with Cost-Containment Strategies
- Cost Estimation: Application & Understanding
- Supply Chain Cost Identification & Reduction Strategies
- Supplier Cost Management
- Reducing Costs in Logistics and Transportation
- Value Analysis

Cost & Price Strategies Continued

Blended Learning Suggestions:

The following online courses can be used to substitute for seminars:

1. Price Analysis, Cost Analysis or Total Cost of Ownership: Determining the Best Approach (2-4 Hours)
2. Cost Analysis (7-10 Hours)
3. Price Analysis (7-10 Hours)
4. Cost Reduction Toolbook: Tools for Operations & Supply Chain Efficiencies (7-10 Hours)

With online course substitution, you can omit the following seminars:

1. Driving Down Cost Through Cost/Price Analysis (2 Days)
2. Advanced Cost/Price Analysis (2 Days)
3. Cost Effective Supply Chain Management (2 Days)
4. Reducing & Controlling Cost with Cost-Containment Strategies (2 Days)

Next Steps?

- 1. All core and elective courses can be offered every year.**
- 2. Suggested program timeframe is 3 years to earn your certificate.**
- 3. E&T Committee Approval – April 30**
- 4. Committee works with ISM and TVPPA to create content, schedule seminars and make the selected ISM online courses available on the TVPPA website.**

Questions?