

# MD's Quarterly Update and review of the year

## December 2009

A difficult year ended triumphantly for CIPSA with the 5th CIPSA Annual Conference *The Perfect Storm*, held at Crown in Melbourne during October. Over 700 people attended the event, with most agreeing it was the best ever CIPSA event. A 95% approval rating and much positive feedback was given – including high praise from new visiting CIPS CEO, David Noble. Moreover, nearly 500 people attended the Professional Procurement Awards dinner to witness the PNG Central Supply and Tenders Board accept the CIPSA Leadership Award from CIPS President Dr Bola Afolabi.

Indeed all the CIPSA conferences during the 2009 season went well. All but one CIPSA conference had more attendees than the previous year; just the resources downturn in Perth last May affecting numbers there. But overall, nearly 3,000 people attended the five CIPSA national conferences plus SMART '09 and the QSCC conference in Brisbane during the year. Speakers included many highlights not least the Federal Minister of Finance, Lindsay Tanner disagreeing with NSW Deputy Premier, Carmel Tebbutt. Other speakers included Telstra CFO John Stanhope, the new BHP Billiton CFO from Singapore Renee Klimzack, and UK Government DWP Commercial Director David Smith FCIPS.

Of course, the year started poorly with confidence low due to the economic downturn following the global financial crisis. CIPSA lost training bookings, some sponsor commitments and feared the worst as a victim of discretionary expenditure cuts in stakeholders' organisations.

Fortunately these fears subsided as the year progressed and the focus on ensuring the relevance and topicality of the procurement professional agenda seems to have paid back. The professional agenda was defined by the CIPSA Steering Group and published in the newly re-launched *Procurement Professional* magazine in February 2009. This was the first time CIPSA had defined a static set of issues being addressed by typical procurement manager's.

The white-papers in the year culminated with the two most high-profile; *The CIPSA-Portland Group Strategic Procurement Benchmarking Survey 2009* and the surprise hit of the year *The Top 20 Websites in the World of Procurement* compiled with The Faculty. Both were released for the annual conference and proved instantly popular. Other white-papers included *Procurement's evolving role in enterprise supply chains* by John Gattorna and *Why work in procurement?*. The winning essay from the 2009 CIPS Australasia Essay Competition (sponsored by Curtin University), *Emission Impossible* by Alana Tweddle was printed in December's PP magazine and is set to be a CIPSA white-paper as well in February 2010.

The full index of all CIPSA white-papers available to members online at [www.cipsa.com.au/professionalresources](http://www.cipsa.com.au/professionalresources) is listed in the new issue of PP magazine (PP28 – page 50), culminating in the December publication of *The Buyer's Blog Field Guide 2009*.

Although advertising revenues were deflated throughout the year, the new publisher of PP magazine BTTB Marketing, persevered and also successfully pressed on with the launch of the new website [www.pponline.com.au](http://www.pponline.com.au). Featuring daily procurement news, exclusive job vacancies and The Buyer's Blog, the CIPSA websites are now attracting over 4,000 unique visitors per month.

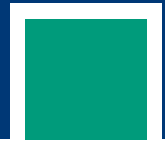
Interestingly, the CIPSA archive recently unearthed the 1973 editions of the former AIPMM magazines for a retired member who was a contributing author at the time. Some of the cover images used to promote the profession at the time might be deemed inappropriate today – or just plain embarrassing.

CIPS Australasia



*Driving excellence in procurement and supply management*

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Membership retention figures also bucked the worst expectations. With over 3,000 members at year-end, attrition of paid members was much lower than expected – in fact typical of a normal year. Testament to the fine work building the value and benefits of membership, and borne out by the annual membership satisfaction survey ran by Beaton Research for BRW on behalf of 34 peak bodies. CIPSA benchmarked 11th out of 34 institutions overall... Not bad when only five years old and competing against bodies of the stature of CPA, The Law Society and Engineers Australia.

49 regional events ran during the year, with nearly 3,000 people attending. Importantly, 60% were non-members; extending the range of people engaging with the Institute. All the regional committees delivered a topical, relevant and compelling event programme. In September, CIPSA was able to announce the new regional chairs and vice-chairs selected to serve as heads of each regional committee for the next two years (visit [www.cipsa.com.au/regions](http://www.cipsa.com.au/regions) for details). Subsequently we said farewell and a heartfelt thanks to several long-standing chairs & vice-chairs including Nick Ford, Keith Barber, Jane Holcombe, David Freeman, Paul Xifaras and Troy Watkins.

Work progressed quickly during the year on the education side. The announcement in July of a partnership with the Australian Technology Network (ATN) means that all five of these universities (Curtin, RMIT, UTS, QUT and UniSA), plus Canberra University will deliver a strategic procurement Masters level programme in future that is to be accredited to MCIPS standard. This will bring the number of universities offering MCIPS accredited courses to a total of 12 during 2010 with around 22 courses on offer. Importantly, 31 more people achieved MCIPS and seven more FCIPS during the year – meaning 319 people are now full members of the Institute in Australia and New Zealand. Crucially, over 2,000 more are in the 'pipeline' actively working towards MCIPS.

In addition the range of pathways to study towards CIPS qualifications has grown dramatically again. Three approved private study centres (MTS, SCMEA and CTS) are offering blended and flexible learning programmes in five cities – SYD, MEL, CBR, ADE and BNE. The launch of CIPS-e online learning [www.cipsa.com.au/cipse](http://www.cipsa.com.au/cipse) has proved instantly popular and a new arrangement for importing CIPS course books makes distance learning a speedy reality for many. In all, over 650 people sat CIPSA exams during 2009 in 15 different locations. Many more are set to register for exam entries in 2010 – the key registration dates being 17 March and 17 September. CIPSA is working towards offering three exam sittings per year in the future.

Private accreditations have also now been completed for four governments – NSW, VIC, QLD and SA, as well as VIC local government and private companies BAE Systems, Rio Tinto and Shell. The AusAID funded accredited programme in PNG was launched in February by the Minister of Commerce and attracted 60 students from the public sector in Port Moresby.

Also, Simplot and Railcorp NSW have recently completed the CIPS Certification programme for excellence in procurement policy, procedures and processes. They join VIC DoI, Coles, Suncorp and 150 other organizations worldwide holding this accreditation of global best practice.

All in all, much has been achieved during the year despite everything. The Institute also looks set to make a small surplus in 2009. This will fund the growing of the CIPSA team next year to around 15 staff, offering a broader capability and deeper capacity to deliver as expectations continue to rise – after all, CIPSA is five years old in January 2010.

Finally, a big thank you to everyone who has contributed to making CIPSA successful this year, and in the past. But most of all to our members, of course.

Best of luck for 2010!

**Jonathan Dutton FCIPS**  
**Managing Director**  
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