



## **CENTRAL FLORIDA BUYLINES**

*Newsletter of the ISM - Central Florida Affiliate*  
*Fall 2009*

### **Upcoming Events**

**DINNER MEETING:** September 9 – Grant Training Presentation  
Registration begins at 6:00pm with dinner at 6:30pm  
Dubsread Country Club located at 549 West Par Street, Orlando FL 32804, \$23

**LUNCH MEETING:** October 2 – “Global Economy – What Does It Mean To Me  
11:30 at Roadhouse Grill, corner of John Young Parkway and Sandlake Road, \$15

**DINNER MEETING:** October 14 – “Performance Bonds” presented by Norm Corbin  
Registration begins at 6:00pm with dinner at 6:30pm  
Dubsread Country Club located at 549 West Par Street, Orlando FL 32804, \$23

**To register, go to [www.ism-cf.org](http://www.ism-cf.org)**

### **The President’s Corner**



First of all I want to extend a special invitation to the Supply Professionals Joint Meeting of ISM-CF, APICS, CSCMP and IMA on September 9<sup>th</sup>. I, along with the entire new Board, welcome the opportunity to meet you and share our vision for the future of ISM-CF.

The topic for the evening, presented by Work Force Central Florida, is unique and relative to each of us...Free Money. You don't want to miss hearing about this Work Force program which makes funds available for employee skill development. I have invited my boss. Department heads at your workplace may also find this information valuable.

Check out all the details on the website and join us on this exciting evening as we bring together this diverse group of supply management professionals from all over Central Florida.

Your Board of Directors met on Saturday, August 22, for their annual retreat, the planning session for the upcoming year. Business conducted at the retreat included establishing an operating budget for the 2009/2010 fiscal year, a review of the bylaws and other agenda items. We also began work on a fund-raising event, reviewed the educational calendar for the year and approved plans for the redesign of the website.

In the coming weeks you will see more communication from your association. The calendar for the remainder of 2009 has a full schedule of worthwhile and timely programs, concluding with a Volunteer Appreciation theme for December.

We also want to hear from you and will be asking for your input via online surveys to help us make improvements relevant to your professional needs.

I look forward to seeing you September 9<sup>th</sup> and at future events.

In your service,

*Bette J. Hallmark, C.P.M.*

President, ISM-Central Florida, Inc

## Dinner Meeting - September 9, 2009

**Grant Training Presentation**

**Joint Meeting ISM, APICS, IMA and CSCMP**

Presented by Work Force Central Florida,  
Mr. Raju Daswani, Business Development Manager

Registration at 6:00 p.m., Starts at 6:30 p.m., Dubsdread Country Club, 549 West Par Street, Orlando, FL

The thought process is simple, how can we show you how to obtain grant funding to facilitate business growth, development and for securing other resources needed to support activities. Money is available and this presentation will show you how to obtain it.

In today's dynamic and fast-paced workplace, employees need to constantly build and enhance their job skills to stay competitive. Take advantage of **WORKFORCE CENTRAL FLORIDA's** Employed Worker Training Program to increase your employees' skills in this fast-paced, dynamic workplace. This flexible program is designed to provide financial assistance to employers that recognize the importance of investing in their employees.

Workforce research shows that employees value the opportunity to acquire new skills which will lead to increased productivity and impact your bottom line.

Join us as we learn the intricate process of obtaining grant funding for various requirements and the resources that are available as we move through our careers from unemployment to career path changes.

**Work Force Central Florida** is the regions workforce expert, an authority for workforce planning, programs, and the labor market. WCF connects employers to the largest pool of talent in the area and provides worker resources and training. WCF prepares our community's residents for careers that meet local businesses' demands for today and into the future.

*With more than 20 years of experience, Raj Daswani serves as a business development manager with WORKFORCE CENTRAL FLORIDA (WCF) where he helps local businesses understand their workforce development challenges and delivers solutions to support their needs. Prior to WCF, Raj provided quality service to clients with Atlantic.Net Inc., Magnatone Hearing Aid Corporation, Deltak Education and Enterprise Rent a Car. Raj is a proud father of one and is a graduate of the University of Florida with a degree in international marketing.*

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### Looking for a job?



**Look to us!**



**WORKFORCE**  
**ONE-STOP CAREER CENTER**  
A Program of WORKFORCE CENTRAL FLORIDA

The region's workforce expert.

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**Dinner Meetings** are held the second Wednesday of the month at Dubsdread Country Club, 549 West Par Street, Orlando, FL  
Registration at 6:00pm, Dinner at 6:30pm

**Lunch Meetings** are held the first Friday of every other month at Logan's Roadhouse, 3060 W. Sandlake Road, Orlando, FL  
Registration at 11:15am, Lunch at 11:30am

For the most up-to-date schedule and to register for events, visit [www.ism-cf.org](http://www.ism-cf.org). Check the website often...there will be a new look soon!



## Central Florida Buylines is Going Green



Future issues of this newsletter will be distributed electronically via email, and will be available at [www.ism-cf.org](http://www.ism-cf.org). If you continue to need the newsletter mailed to you, please contact David Billingsley at [comm@ism-cf.org](mailto:comm@ism-cf.org).

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### ***Improving Procurement Execution through Grid Methodology – Part II***

By Michael Keaton C.P.M., Director of Professional Development

**M**itigating risk. Our jobs as material “guru’s” is to bring to our respective organizations those tools that enable us to mitigate the risk or exposure from forecasted or fluctuating demand. Business Scenario: Your organization has a mature product in the marketplace, this product is engineered to order with material/component lead times in excess of 365 days. Couple this with a supply chain that consists of: OEM, LCC, and reduced capacity/capability due to the economic downturn. The job of ensuring an uninterrupted flow of materials now becomes somewhat challenging. This challenge is further coupled with your organization’s increasing demands to reduced lead times and cost so that the organization can stay competitive in the marketplace. So, the aspiring or senior material “guru” needs an action strategy that is capable of meeting those organizational objectives.

There are many path forward opportunities to support these objectives, one such scenario that is frequently deployed is:

Adopt a strategy that would be to build inventories to support the forecasted or fluctuating demand. Some groups in the organization will support this strategy, while others will dispute it:

- a) Business Planning – Yes, because they can communicate to the sales force that lead times have come down drastically if not available from stock.
- b) Operations – On the fence, because they have material available for use or sale but is concerned about increased inventories.
- c) Comptroller – No, because of increased inventory levels which leads to diminished inventory turns and decreased working capital expectations.
- d) General Manager or Divisional VP – No, because their directive would state that you need to be able to execute to this strategy without increasing risk or exposure.

This strategy might be a short time solution to meeting your customer’s requirement, but your senior staff will not support that level of execution because often times they cannot sell increased inventories without improved inventory turns or working capital expectations back up through corporate.

This leads to Part II of, “Improving Procurement Execution through Grid Methodology”. The grid methodology discussed in our last newsletter isn’t designed to be that one true path forward strategy that will transform your organization but rather, a building platform in which other executable strategies can be developed and implemented to meet your organization’s objectives. All organizations strive from one degree or another to improve their return on capital deployed – this is an upper level metric that is driven down through many organizations. With a grid methodology, it causes you to put value-adding resources in key procurement positions where your return on investment will become positioned to meet the challenging demands of reducing inventory, reducing cost, reducing lead times and yet meeting the demands of your respective market place.

In our last issue, I presented the “Commodity Matrix Planning Grid”. It’s designed to give the Procurement/Supply Chain Manager the framework needed to structure the procurement organization at optimal levels. The entire premise behind the Grid is to map your commodities into a matrix. This matrix’s then becomes the building blocks for building an effective procurement organization – applying value added resources where they are needed:

*(continued on next page)*



#### Supply Challenge

The Procurement Manager can now use the Grid to assign commodities to Buyers of differing skill-sets. This then enables the Procurement Organization to become more flexible and offers a clear path of advancement. Continuing from our last issue, a typical deployment of the Grid would assume the following structure:

#### **Grid III – 2<sup>nd</sup> Most Difficult Supply Chain**

- This is the area where you have minimal visibility into your engineered to ordered product because your customer's requirements will fluctuate
- Lead times < 45 Days – **known/unknown supply chain**
- The overall action of this Grid is to cause the Procurement Manager to develop planning tools and teams that are designed to orchestrate the "true" need of potential customer requirements. It requires interaction with the Business Planning and Engineering groups to understand what unique requirements are out there. This is a Buyer level position that is designed to cause minimal inventory – one offs or unique material for a particular customer or activity.

#### **Grid IV – The Most Difficult Supply Chain**

- This area of the Grid is the heart or strategic plan of what the organization will be capable of executing to. It requires agreements and approvals from all senior stakeholders.
- It is the place where frame agreement and other tactics are used to secure strategic material flow through your organization. The component might have a finite capacity or excessive lead times with several other buying organizations competing for output – this quadrant of the grid ensures uninterrupted/continual flow of material which is paramount else lost orders in the marketplace.
- This area requires a Senior Buyer/Manager with skill-sets that are conducive with the dynamics of your organizations marketplace and is integral in causing the strategic plan for material flow to be developed and adjusted as business models/needs change.

These (2) segments of the Grid are the most critical, which is why in understanding your procurement activities the proper deployment of resources is key to your execution strategy.

The 1<sup>st</sup> step in implementing a grid methodology is to do an audit/assessment of your procurement organization as it exist today– what are the strengths, weaknesses, opportunities and threats. The 2<sup>nd</sup> step will be to understand and map your commodities into the various grids knowing that as business needs/models change so does the grid in which a commodity is targeted – this is a "living" business plan targeted at improving your procurement activity execution.

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**KEY CRITERIA FOR ADOPTION OF THE GRID:**

- **A SOLID UNDERSTANDING OF YOUR ERP/MRP SYSTEM – CAPABILITIES AND WEAKNESSES**
- **LEAD TIMES AS THEY RELATE TO BOTH DOMESTIC AND INTERNATIONAL SHIPMENTS**
- **FORECASTING/PLANNING MECHANISM USED TO INTERPRET FUTURE DEMAND**
- **INVENTORY PERFORMANCE TARGETS/CHALLENGES/TURNS REQUIRED**
- **A THROUGH WORKING KNOWLEDGE OF YOUR SUPPLY CHAIN – ITS WEAKNESSES, SOLE-SOURCED, SINGLE-SOURCE, LCC’S AND PRICING RELATED ACTIVITIES SUCH AS COST REDUCTION INITIATIVES**

For more information, Michael may be reached at ProD@ISM-CF.ORG or (407) 401-1203.

**Event Planner**

## Professional Development

Event Planner - 2010  
September 2009 through March 2010

## “An investment in knowledge

Always pays the best interest” - Benjamin Franklin

  

September's Dinner Meeting 9/9/2009	December's Lunch Meeting 12/4/2009	CPSM® Exam Review – 8HRS 1/22/2010	CPSM® Exam7 Review – 8HRS 2/24/2010
Speaker Raju Daswani	Speaker	Instructor Michael Keaton	Instructor Michael Keaton
Grant Training – Finding Money	"Here comes the future"	Module 2	Module 3
Comments Joint meeting w/APICS	Comments Communicating	Comments	Comments
Status Confirmed Mike Keaton	Status Pending	Status Confirmed	Status Confirmed

  

October's Lunch Meeting 10/2/2009	December's Dinner Meeting 12/9/2009	February's Lunch Meeting 2/5/2010	Seminar 3/10/2010
Speaker	Speaker "BOD"	Speaker Malik Ali	Speaker Dr. Snaith - UCF
"Global Economy – What does it mean for me"	"Recognition"	Minority Supplier Development	Global Market Conditions
Comments Communicating	Comments Awards Ceremony	Comments	Comments World renowned Economist
Status Pending	Status Need Location	Status Pending	Pending

  

October's Dinner Meeting 10/14/2009	January's Dinner Meeting 1/13/2010	February's Dinner Meeting 2/10/2010	March's Dinner Meeting 3/10/2009
Speaker Norm Corbin	Speaker N/A	Speaker	Speaker Dr Snaith - UCF
Performance Bonds	Are You the Weakest Link in the Supply Chain	Logistics 101	Economics, The 411
Comments	Comments	Comments	Comments World renowned Economist
Status Confirmed Richard Straw	Status Pending	Status Pending	Pending

  

November's Dinner Meeting 11/11/2009	CPSM® Exam Review – 8HRS 1/21/2010	CPSM® Exam Review – 8HRS 2/17/2010
Speaker Dr. G	Instructor Michael Keaton	Instructor Michael Keaton
Our Students, Our Future	Module 1	Bridge Exam
Comments	Comments	Comments
Status Confirmed Richard Straw	Status Confirmed	Status Confirmed



institute for  
supply management

ISM – Central Florida, Inc.

## Low-Cost Ways to Earn CEHs

Need to earn Continuing Education Hours (CEHs)? Short on funds to pay for training?

Don't despair. ISM has several low-cost options to keep your CPSM<sup>®</sup>, C.P.M. or A.P.P. certification current. Some are even free.

- The **ISM Knowledge Center** has two **FREE** online courses — **Price Analysis, Cost Analysis or Total Cost of Ownership (#3921)** and **Ethics: A Behavioral Awareness Tool (#3954)**. Register at [www.ism-knowledgecenter.ws](http://www.ism-knowledgecenter.ws).
- ISM presents **FREE Web seminars** throughout the year on trends that affect supply management. You can participate from anywhere in the world and earn one CEH each time you attend. Register in the Seminars section of the ISM Web site.
- Attend your **ISM Affiliate meetings**.
- Did you take or teach any business-related training through your employer?
- Did you take any personal career development courses such as Effective Communication or Microsoft Excel?
- Was your article published in a supply management-related magazine or journal?
- Did you attend or present at one of ISM's conferences or seminars? Did you attend or present at other industry-related conferences or seminars?

For details on CEH qualification, visit the ISM Web site's Professional Credentials section or e-mail [certification@ism.ws](mailto:certification@ism.ws).

### **NEWSLETTER ITEMS**

*Please send newsletter articles, announcements and news releases to  
David Billingsley at: [comm@ism-cf.org](mailto:comm@ism-cf.org).*

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Maximizing Opportunities. Managing Risk.