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The Association of Operations Management:
Advancing Productivity, Innovation, and Competitive Success

PLATINUM AWARD RECIPIENTS
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PDM Dinner Meeting

── Strategic Outsourcing of High Tech Services ──

APICS
The Association for Operations Management

Tuesday, April 19, 2005

Our Speaker:
Maureen Lojo, PhD
Associate Professor of Operations Management
California State University - Sacramento
(See Bio on page 7)

High-technology services that span organizational boundaries are on the rise. These outsourcing decisions can be critical to the strategic positions of firms, defining organizational boundaries and the core competencies that they intend to protect and build. The strategic question for firms considering outsourcing is not only what to outsource, but also how to outsource. The contracts governing relationships between links in the supply chain can help to moderate the risks of outsourcing decisions. In fact, the ability to align interests along the supply chain may be a critical factor in determining whether tasks should be externalized.

RSVP by Friday, April 15, 2005

Agenda		Location
5:30	Registration	Hungry Hunter Steakhouse, 450 Bercut Dr, Sacramento. . Please call (916) 650-8660, or email Ed Mercado at edmercado@msn.com and provide the attendee's name, company, telephone number, fax or email address. $23.00 all attendees (includes dinner), $5.00 for speaker only.
6:00	Dinner & Networking	
7:00	Membership Meeting	
7:10	Presentation:	

NEW INDUSTRY CERTIFICATION

Alexandria, VA (March 8, 2005) APICS The Association for Operations Management announced today the creation of a new industry certification to meet the rapidly changing educational needs in the field of supply chain management. The Certified Supply Chain Professional (CSCP) designation is designed for professionals interested in increasing their knowledge of supply chain management, those currently working in the field of supply chain management, and for those individuals working with enterprise resources planning (ERP) systems.

"The APICS CSCP designation validates a unique skill set and reflects the expanding role supply chain management plays in today's increasingly competitive global marketplace," stated Thomas J. Krupka, CFPIM, Jonah, APICS President. "In the past, companies focused primarily on manufacturing and quality improvements within their four walls to gain a competitive advantage. World-class supply chain management drives a broader view, extending efforts to encompass the entire network of companies throughout the supply chain that work together to meet customer demands. The APICS CSCP designation will equip today's professionals with the credentials to improve their company's competitive success and their own professional advancement and earning potential."

APICS currently administers two internationally recognized certification programs— Certified in Production and Inventory Management (CPIM) and Certified in Integrated Resource Management (CIRM). Since 1974, 80,000 professionals have earned the CPIM designation and more than 4,000 have earned the CIRM designation. With the addition of the CSCP designation, APICS enhances its validation of the disciplines within operations management, specifically production, inventory, enterprise, and supply chain management.

APICS retained the services of The Holmes Corporation, specialists in the designing, marketing, and distributing of educational products for association certification programs, to develop the CSCP learning system.

The CSCP learning system will consist of a blended learning approach incorporating self-directed study courses, Web-based learning, and classroom-based education offered through colleges and universities, corporations, and the APICS network of local chapters throughout North America.

The CSCP program will be launched in conjunction with the 2005 APICS International Conference and Exposition, October 16-18, in New Orleans, Louisiana.

For more information, contact:
Lisa M. Prats, CAE
Director, APICS Communications Division
(800) 444-2742 or (703) 354-8851, extension 2397

APICSacramento Calendar

April, 2005

TBA   Board of Directors meeting

13   APICS Sacramento Chapter Presents
Project Management
Delivering Success & ROI on Supply Chain Initiatives - See page 3.

19   Professional Development Meeting. Top Management Night. Speaker: Prof Maureen Lojo, CSU Sacramento..

May, 2005

TBA   Board of Directors meeting

17   Professional Development Meeting.

Effective Project Management
By Mike Loughrin, CFPIM, CIRM

Many initiatives to improve the performance of a company's supply chain require the simultaneous improvement in business processes while also leveraging new technology. It is critical to stay focused on driving changes which deliver measurable improvements in specific business objectives. This requires a delicate balance between the business process and the technology enablers. We see too many initiatives that over weight the focus or emphasis on technology and then, relatively quickly, become doomed to failure.

Effective project management is required to get and keep supply chain improvement initiatives focused on specific business objectives and stay balanced between process and technology considerations. The three critical project management areas that must be in place to ensure supply chain improvement initiatives succeed are:

A.   Solid Business Case
B.   Organize For Success
C.   Leverage Appropriate Methodologies

A. Developing a solid business case should include a thorough review of business strategy & objectives, current improvement programs, and potential alternative investments. While the business case does not need to be a large document, it should have the basic information required for communicating the critical aspects of a proposed initiative. The following framework is one method that helps organize the relevant information:

1. Current Situation
2. Trends & Best Practices
3. Statement of Need
4. Scope
5. Benefits & Objectives
6. Costs & Resources
7. Justification (Return On Investment)
8. Critical Success Factors

The above framework will support a focused program to improve forecast accuracy, a wide ranging initiative to achieve world class performance, and anything in between. The requirement is to provide key decision makers with a compelling reason & supporting data to make an informed decision.

B. Organizing for success is critical when supply chain initiatives involve business process improvement and the application of new technology. An all too common mistake is to overweight the project team with IT resources. This can quickly shift the focus from improving supply chain performance to simply seeking "success" with a software implementation. Ironically, it is generally the business user community that causes the shift in emphasis when they disengage and don't drive the hard decisions required to change business processes.

The best approach to manage the balance between process and technology is to have a leader from the business community as the project manager and have an executive from the IT community on the steering committee.

C. Leveraging the appropriate methodologies is a means to lower the risk and speed the time to success. Many of the common supply chain improvement initiatives have defined methodologies. These include:

1. Business Process Reengineering
2. Packaged Software Evaluation
3. Continuous Process Improvement
4. S&OP Implementation
5. SWOT Analysis
6. Packaged Software Implementation

The key is to pick the appropriate methodology, train members of the project team, and then follow the steps to achieve rapid success.

To summarize, many initiatives seeking to improve supply chain performance involve business process improvement while also implementing new technology. These initiatives require effective project management techniques which balance the process and technology activities. The most important techniques are building a business case, organizing for success, and leveraging the appropriate methodologies.

Mike Loughrin is President of the APICS Northern Colorado Chapter and a Partner with Transformance Advisors. You can contact him at mloughrin@transformanceadvisors.com

For Sale!

APICS
Sacramento
Denim Shirts

$25.00

Contact Melanie Hoots at melanie_hoots@hp.com
to purchase.

Computer Based CPIM Exams

Computer based CPIM exams are offered by Pro-missor.

All of the info you will need to register for an APICS exam can be found at http://www.promissor.com/

- Select "Professional Certification Exams" under the "Find Test Information" section.

- Select the "APICS..." option.

Read the "Description of New Registration Process (pdf)".

It has all the info you should need including how to get dates, locations, cost, and registration process.

Weber State University On-line APICS Certification Courses

SU Online is the virtual campus for Weber State University, delivering online courses via the World Wide Web. Five courses are offered in partnership with APICS:

* Basics of Supply Chain Management
* Master Planning of Resources
* Detail Scheduling and Planning
* Execution and Control of Operations
* Strategic Management of Resources

Exam review courses can be taken collectively for CPIM certification or taken separately to suit the needs of the company or individual. For more information, go to http://www.wsuonline.weber.edu. Remember to tell them you're a member of Sacramento APICS! ☼

CIRM Courses Available On-Line

CIRM is a comprehensive educational program designed to help you understand the power of collaboration among organizational resources such as product development, marketing/sales, human resources, finance, and operations. The CIRM program enables you to effectively interact with cross-functional departments for more strategic decision making, enhanced collaboration, and improved productivity

On-line CIRM Courses are available at www.epiweb.net. Be sure to reference Sacramento APICS when registering.

CPIM Courses Available On-Line

CPIM applies to many supply chain tasks and provides the necessary knowledge to thrive in today's global competitive environment-both in terms of reducing costs and increasing customer loyalty.

Since 1973, the CPIM program has educated more than 75,000 manufacturing professionals on essential terminology, concepts, and strategies related to demand management, procurement and supplier planning, material requirements planning, capacity requirements planning, sales and operations planning, master scheduling, performance measurements, supplier relationships, quality control, and continuous improvement.

To register for your next CPIM exam, visit www.asisvcs.com/publications/html/faq_apics.asp or call Promissor Customer Care at 1-800-274-8399 or 610-617-5093.

APICSacramento Company Coordinators

Our Company Coordinators serve as the principal communication links between the Sacramento Chapter of APICS and their companies and fellow employees. If you work for one of the companies listed below and need APICS Chapter information of any kind, please feel free to contact them.

If you do not see your company listed below, it is because *you* haven't volunteered. To become a coordinator, call Brenda Marsh (916) 447-8205 or email at brcben@sbcglobal.net.

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Notable Quotes

Technology, like art, is a soaring exercise of the human imagination. Art is the aesthetic ordering of experience to express meanings in symbolic terms, and the reordering of nature—the qualities of space and time—in new perceptual and material form. Art is an end in itself; its values are intrinsic. Technology is the instrumental ordering of human experience within a logic of efficient means, and the direction of nature to use its powers for material gain. But art and technology are not separate realms walled off from each other. Art employs techne, but for its own ends. Techne, too, is a form of art that bridges culture and social structure, and in the process reshapes both.—Daniel Bell

Check Out the APICS Career Center Online

Whether you are in the market for a job or just want to keep your options open, you'll want to search the APICS Career Center for available jobs, or to post your resume... the perfect fit could be waiting for you!
http://www.apics.org/CareerCenter/careercenter_gateway.htm

And don't forget that APICS is a great place to network with the employees of the region's leading employers. Not only can you mix, mingle, and network but you also receive valuable professional development information.
A job opportunity can be discovered anywhere, don't miss the chance to find one through your own local network
Carol Thompson
VP Job Opportunities

APICSacramento Job Opportunities Notes

Are you seeking another job or career change? Don't forget to check out the APIC-Sacramento Job Opportunities located at http://www.apicsacramento.com. You can also find national job opportunities by checking out the national APICS web site located at http://www.apics.org.

There are also many companies, consultants, and career counselors who can assist with items such as: resume writing, cover letters, interviewing skills, negotiating skills, as well as personal goals and objectives. Check out the yellow pages under Career or Vocational for this type of assistance.

Certification Maintenance Notice

If you earned your CPIM before 1999, you must submit a maintenance application by the month of your original certification. Find out more at http://www.apics.org/Certification/Maintenance/maintenance.asp If you would like a handy spreadsheet to calculate your point, go to our web site www.apicsacramento.com and scroll down to 'certification maintenance' and put "certification maintenance" in the subject. Don't delay! Once the deadline passes for you, you must earn additional points to regain your certification status.

**APICS Webinars
Get Tangled in Our Web of Education**

APICS is pleased to announce the latest development in training and education—APICS Webinars. Each APICS Webinar lasts approximately 60 minutes and features educational discussions, case studies, and a Q&A period. All you need is an Internet connection and telephone to participate. Invite your colleagues to join you. As an added benefit, you will receive a CD-ROM of the presentation after the event.

Upcoming APICS Webinars
View a list of upcoming APICS Webinars topics and dates. Go to http://apics.webex.com for quick and easy access to the latest information on future topics, dates, and presenters.

Registration Information
To register for an APICS Webinar, visit and select Enroll.

Archived Events
Were you unable to participate in an APICS Webinar? Each APICS Webinar is archived and available for $99 per viewing. Visit http://apics.webex.com and select Recorded Events on the left navigation bar to view an archived APICS Webinar. The archived APICS Webinar begins at time of purchase.

CPIM and CFPIM designees: Earn one professional development point toward Certification Maintenance by participating in an APICS Webinar.

The Educational Society for
Resource Management
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Speaker's Bio: Maureen Lojo

Dr. Maureen Lojo's research interests include service operations, management of technology, and supply chains. She earned her bachelor's in history at the University of California, Berkeley, her master's in public and private management at Yale University and her doctorate in operations management at the Massachusetts Institute of Technology. Before entering graduate school, she worked for a biotechnology company and founded a microbrewery in California. She has taught at Cornell University, Brandeis University, and Universidad Torcuato di Tella in Buenos Aires. Dr. Lojo is currently a member of the management faculty at California State University, Sacramento.

Materials Management Certification Program
Supply Chain Management Certification Program

Prepare for the APICS CPIM exam while earning an academic certification from CSUS. Please contact Jennifer Williams at jennifer.williams@csus.edu or (916) 278-4268 or visit www.cce.csus.edu and look for Business Operations under Courses & Programs. Each of the six Materials Management courses and the seven Supply Chain Management courses are offered once each year. Please call (916) 278-4433 to register.

All courses are held at CSUS Campus, Sacramento on Tuesdays and Thursdays. Dates and times are subject to change. Please visit www.cce.csus.edu for up-to-the-moment course schedules. Call Tanis Perez for more information at 916/748-8194.

Courses	Dates	CEU	Course Fees
Core Courses (Required for both Materials Management and Supply Chain Management)			
Execution and Control of Operations	Apr. 18 – May 16, 2005 Mon. & Wed., 5:30 - 8:30 p.m. **Course code:** 05SMM6041 **Donald Clark**	2.7	$489
Strategic Management of Resources	May 23 – June 22, 2005; No class May 30 Mon. & Wed., 5:30 - 8:30 p.m. **Course code:** 05RMM6051 **Donald Clark**	2.7	$489

RFID 2005: A Case for Going Forward

     January 1, 2005...a date already in the history books. And a date that previously was the cause for much anxiety in the supply chain arena, at least for top suppliers to Wal-Mart or the Department of Defense. It was also the date such companies were to have been live with their RFID implementations if they were to continue doing business with two supply chain giants. The reality is that so many companies chose "slap and ship" as a means to comply that the full benefit of the technology has not yet been realized, the investment was not efficiently leveraged, and many are wondering what benefits really exist.

     The truth is that, although RFID still has some maturing to do before benefits will be fully realized, there's still benefit to be gained right now. Hundreds of companies have already implemented RFID to one extent or another and are realizing at least some benefit. Automated tracking, improved activity logging, better visibility, and even reduced inventory due to improved monitoring are typical of the feedback that's being reported from several fronts, including operations, warehousing, distribution, and receiving. Management at Jacksonville International Airport was glad it had implemented RFID in the baggage handling systems by the time the Super Bowl came to town. International Paper reports better use of capital equipment such as lift vehicles. Benefits are even being felt in such unlikely venues as legal firms (document tracking) and construction (material and tool tracking).

(Continued from Page 8)

The advice from early adopters: start now. The staying power of the technology is a given. Sure, there are things that need to be improved, but early adopters are suggesting that 100 percent improvement isn't necessary before a business can realize a noticeable benefit. There is enough maturity already, and if a company starts small in areas where improvement potential is obvious, it will be ahead of the game with its competitors. By the time they get their implementations underway, the company that starts now could already be realizing return on investment. On an industry-by-industry basis, those who implement early will have the advantage over those who wait.

Given the limited number of integration firms skilled in RFID, once the demand picks up qualified integrators will be in short supply, and due to demand their fees will be significantly higher. The sooner a relationship is established with a trusted integration firm, the more attention a company will get as demand for the firm's services increases. These firms will assess the company's operations, identify areas where significant return on investment is likely to be realized with RFID, coordinate the implementation of the technology, and provide the necessary training for company employees. Wisdom suggests that, in getting started, companies should focus on the areas where the biggest return on investment is likely to be seen.

A question that many may be asking is: "OK, I'm willing to start now—what's the first step?" In a nutshell, the basic steps go something like this:

- Create multifunctional teams (for instance, operations, engineering, sales, customer service)
- Profile current operations
- Identify obvious inefficiencies and potential opportunities for improved operation
- Clarify the specifics of the improvement desired from implementing RFID
- Identify related needs of trading partners
- Assess the anticipated improvements against alternatives available using other technologies to see if RFID is truly the best solution
- Review what other companies are doing regarding technology suppliers and integrators
- Select the suppliers and integrators that provide the best service yet don't lock the company into one line of equipment or software
- Work with the integrator to do a pilot, either on site or at a dedicated testing facility, before making a full-blown implementation. The key to a successful implementation is running a successful pilot.

The potential benefits to large suppliers deploying RFID on a wide scale across the supply network are now well documented. The ROI to manufacturers is still in question. How manufacturers strategically embrace RFID as part of their production processes will play a pivotal role in securing future competitive advantage.

Tim Kueppers, president, Sense ID, can be reached at (269) 207-4725 or via e-mail at tkueppers@sense-id.com.

Additional Resource

Kueppers is presenting an APICS Webinar, "The ABCs of Integrating RFID," on Wednesday, April 13, 2005, at 2 p.m. ET. For more information and registration, visit Upcoming APICS Webinars—Descriptions.

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