

“Seizing today, embracing tomorrow” are the watchwords of incoming CIPS president Peter Rushton.

The businessman, with years of experience spanning manufacturing, materials management, purchasing and procurement outsourcing and now chief executive of Optimum Business Solutions, says his theme is intentionally broad in scope. It covers everything from the profile of the profession in schools

both strategically and tactically, but it's a two-way dialogue. I will take back ideas to Easton House to challenge the leadership.

“People want to be heard in the context of their local agenda, and it helps when you come back to a CIPS board meeting and can speak from personal experience about local issues.”

Having been an honorary officer at CIPS in the lead-up to the presidency, Rushton is familiar with the institute's operation and the impact of its work.

“If you come to a graduation ceremony, it's fantastic to see people from the other side of the world so proud to be a part of the institute.”

And that membership is only growing.

“We have more than 65,000 members now so there's some momentum building. It's helpful that CIPS CEO David Noble is an experienced practitioner. I've worked with him closely over the past 12 months – he is relishing the role, and that has to be good for the institute and the profession.”

Rushton says the marketplace (both public and private sector) feels comfortable in discussion with someone who is a professional practitioner. As such, the order books are busy next year, which is good for members everywhere.

“It is important the institute makes an appropriate surplus so it can invest in what it needs to – website activity, extra infrastructure, quality of the people and so on. That is an essential part of the performance criteria of the institute, because without a certain level of investment we cannot go forward in the way we'd like to.”

#### FUTURE PLANS

And there are many ways in which the institute plans to move forward. One is starting to address the profession's lack of profile among the next generation.

Rushton, who settled into procurement 15 years ago as head of purchasing at British Sugar, says he, CIPS and the profession as a whole must work together

# A GLOBAL DIALOGUE

Days before Peter Rushton takes up the mantle of the CIPS presidency, Rebecca Ellnor hears about his plans for the coming year

to multinational businesses, the current situation in the UK public sector to the institute's growing role to support and represent buyers across the globe.

That's a lot to get through, but Rushton says he will focus externally on communication and representation, after having been internally focused in his previous role as chairman of the CIPS board. He takes up the year-long tenure on 1 November and hopes, over the next 12 months, to speak to and meet as many members as possible so he can both present positions on these matters and get feedback for CIPS.

“I've committed to activity in the UK, South Africa, Middle East, China – and hopefully Australia as well, to support all the big five events next year. Half of the membership is international, so I think it's only right I do this.

“I want to make sure I convey some of the key things about where CIPS is going

**PUBLIC  
SECTOR:  
EXPERTS  
NEEDED**

The UK public sector spends more than £220 billion a year with third-party organisations, but it also has the huge task of cutting the public deficit.

That, says Rushton, makes the need for world-class procurement skills crucial, so he was concerned to read (in a report by former OGC head Nigel Smith) about a lack of CIPS qualified practitioners across the sector.

"There's less money to pay for purchasing capability but saying 'we need to pull in skills from the private sector', doesn't add up as the voluntary remit will only go so far," he says.

"David Noble is spending a lot of time in this space and it's something I look forward to participating in during my presidential year. There has to be discussion about how we can help the government achieve its goals."

A way forward on that should emerge soon, he says. "We're not yet sure what our support will look like – we're at the dialogue stage. My career's been in the private sector, but it's an important issue and needs to be catered for in my representation of the institute."

Two public sector procurement heavyweights are joining the CIPS board in November to boost representation from the sector: John Collington, head of procurement in the Cabinet Office's Efficiency and Reform Group, and David Smith, commercial director at the Department for Work and Pensions.

to find a way to appeal to "generation Y" – and it's not a one-year job.

"As the parent of a 16-year-old, I was disturbed by the fact that he goes to a high-achieving school but in his discussions about careers and career profiling, not once was purchasing and supply ever mentioned to him.

"At the end, he raised the topic himself. He said I was in purchasing and supply, I had been able to work in different parts of the world, and he knew the career prospects were good."

For his part, Rushton has already agreed to go into the school and present the profession to staff, but he stresses, it is not a personal crusade.

"It has to be a long-term initiative properly resourced by CIPS. All the work we're trying to do now for the good of the profession is no good if it's completely lost on this generation.

"I'm trying to identify what's the missing link – somewhere in that curriculum there is a communication problem. This is a fantastic career."

He says it's about engaging with the right people to influence the curriculum and give young people another option.

"Education is fundamental to our future success. It's a long-term thing, but if we can make a start here I can pass the baton on to others."

**ORGANISATIONAL CHANGE**

At the other end of the spectrum – some of the most senior levels of the profession – Rushton sees a shift occurring.

"There's growing evidence, in the AMR Research on top supply chains, of the link between the performance of organisational supply chain and the financial performance of an organisation. Two-thirds of CEOs that contributed have purchasing and supply reporting to them.

"That's the position – it's how we respond to it that I would like to talk to members about as I travel around. Being at the top table is old news – we've been there for some time. Now it's a question of focusing on how we capitalise on the opportunity. It's important that we seize this period for the longer-term benefit of our profession."

Rushton says it is essential senior professionals step up to deliver what

their organisations need and be seen to be doing so, or risk seeing individuals from other disciplines move sidelong into top supply chain roles.

"There's structural change going on in terms of what's being asked of purchasing professionals, and that's relative to whatever level they're at.

"The board of organisations set out clear deliverables for purchasing and supply (cost, risk mitigation and so on), and other people are competing for these roles, so perhaps the traditional career route for the purchasing profession will be challenged far more. Other functions are coming into procurement's territory and meeting organisational needs at a senior level. Subsequently they are getting purchasing skills bolted on."

He says procurement and supply roles that cover everything in the supply chain seem to be a growing trend.

"Procurement is part of a holistic supply chain which encompasses all that's needed to deliver the right services to the business.

"The way you develop, how you progress, is going to change a bit. It's probably not going to be that direct route we've got used to over recent years."

He says perhaps he is fortunate to have had experience in several roles and departments before being labelled a procurement professional. But he says there's no reason why purchasers cannot "go and play in another discipline" to develop an already broad set of skills.

"Perhaps it's just cyclical, but it seems organisations simply don't have time to wait – they need transformation in their supply chains now.

"I don't have all the answers. There are various things I would like to discuss with members. We shouldn't be afraid that the business agenda's changing."

He says to address changing agendas, CIPS must build on its image as the "go-to" entity for the profession – for the best advice, standards and so on.

"IFPSM already accepts CIPS as the best baseline qualification. We need to capitalise on its endorsement but also to think about how we take that forward.

"We [as an institute] need to look at the trends and incorporate them. We need to grab the opportunity." 



## CAREER PROFILE

**1981** Commercial trainee, Rolls-Royce Motor Cars

**1985** Master production scheduler, Rolls-Royce Motor Cars

**1988** Materials manager, Vickers Aerospace

**1992** Commercial manager, Vickers Aerospace

**1995** Head of purchasing, British Sugar

**1998** European procurement director, Caradon

**2000** Group procurement director, Caradon

**2001** Trading director - Xchanging Procurement Services

**2006** Managing director, Xchanging Procurement Services

**2009** Chief executive officer, Optimum Business Solutions

### Qualifications

**1987** Graduate diploma in business management, Staffordshire University

**1991** Masters degree in Business Administration (MBA), Staffordshire University

**1996** Certified diploma in accounting and finance

### Other achievements

CIPS president, chairman  
CIPS board of management,  
CIPS council  
Editorial advisory board,  
*Supply Management*