

**ORSNZ
ANNUAL REPORT 2007**

President's Report

Membership

The following table gives the current membership of ORSNZ (including comparative figures for 2003, 2004, 2005 and 2006). We also report in parenthesis the number of members with subscriptions remaining unpaid.

	2007	2006	2005	2004	2003
Corporate Sponsors			0	2	3
Corporate Members	3 (1)	3 (1)	5 (2)	5	5
Corporate Representatives		6	5	8	7
Life Members	1	1	1	2	2
Standard Members	52 (19)	62 (17)	77 (13)	91	94
Members (overseas)	8 (5)	8 (8)	17 (5)	8	14
Members (no branch)	10 (4)	11 (5)	16 (2)	12	13
Retired Members	7	5	5	5	4
Student Members	23 (16)	26 (18)	35 (19)	41	51
Total Membership	104 (45)	122 (49)	161 (41)	174	193

Last year I commented that the figures in this Table gave cause for concern and unfortunately nothing has improved since then. The continuing decrease may be connected to the fact that last year, 19 of those with unpaid subs were two or more years in arrears. As I commented last year, the figures probably also reflect the reduced focus for Operations Research in CRIs and in some universities. To paint a more positive picture, we can be encouraged by the participation of younger student members of the Society and it is clear that we need to do more to encourage these students to remain active members of the Society when they graduate.

Finances

See the Treasurer's Report.

The 2006 accounts show a healthy state of affairs even though our membership figures are down.

Again I wish to acknowledge the work of our Treasurer, John Paynter, and our Auditor, Paul Rouse, for their sterling work in keeping accurate records of the financial affairs of the Society. Their advice has been much appreciated.

Conferences

Some of you with long memories may recall that last year I indicated that the 2007 ORSNZ conference was scheduled to be held at the University of Waikato and that would be followed in 2008 by a conference at the University of Auckland. Well, of course it is not 2008 and yes, you are at the University of Auckland in 2007.

Unfortunately the decline in interest in OR at Waikato meant that they were unable to organise this year's conference and I am therefore very grateful to Dr Golbon Zakeri who has stepped in and taken responsibility for organising the 2007 conference. I expect that we should signal that because of our reduced rotation cycle, the 2008 conference is likely to be held back in Wellington.

Visitors

The highlight of 2007 has been the visit of Professor Mike Trick from the Tepper School of Business at Carnegie Mellon University on a John Hood Fellowship at the University of Auckland. During his time in NZ he has visited each of the ORSNZ Branches and universities and has done a great deal to promote Operations Research and its relevance in business and industrial settings. His outstanding Hood Public Lecture at the University of Auckland attracted a large audience and the talk was very well received. In September, Dr Gerard Cachon from the Wharton School at the University of Pennsylvania in Philadelphia arrived with his family on sabbatical leave again in the Department of Engineering Science. I hope that before he leaves NZ next June he will have the opportunity to visit the other ORSNZ Branches.

Newsletter

As Newsletter Editor, Matthias Ehr Gott has continued to do the "impossible" and extract and generate copy for our Newsletter. Matthias has continued his Newsletter editor role even though he has been on sabbatical leave in France. Along with our annual conference, the Newsletter provides a means of communication that keeps members in touch with both local and international OR news and events. So on behalf of the Society I again thank Matthias for his work.

Council Meetings

During this year a number of issues have been considered and discussed by email Council meetings. While not entirely satisfactory, it is better than not having meetings at all. I do want to acknowledge the work of Hamish Waterer in his role of Secretary in organising the email discussions and decisions.

Acknowledgements

During this year Vicky Mabin indicated that she would not be standing for a position on the ORSNZ Council in 2008. I do want to take this opportunity to pay a special tribute to Vicky and her contribution to the Society over many years. When I came back to New Zealand 33 years ago there was no doubt that the centre of OR mass was to be found in Wellington particularly in the Applied Mathematics Division of what used to be the DSIR. When Vicky returned to New Zealand in the early 1980s after completing her PhD at Lancaster, she joined the OR group in AMD and began her long association with the ORSNZ Council. Over the years she has held the office of President, Secretary, Newsletter Editor and International Liaison, as well as serving on branch committees, and international bodies (APORS, ISIR). On behalf of the Society I want to express our sincere thanks to Vicky for her commitment and all her contributions to the Society over many years.

Finally, I have decided that I should also stand down as President and pass the baton to a younger member who undoubtedly will be able to change the sign of the rate of change of membership. I thank the Society for the opportunity to serve as President of ORSNZ and I look forward to continuing to contribute to the activities of the Society.

David Ryan
President

Treasurer's Report

The funds available at the start of the period were \$31,000.84. The funds at the end of the period were \$30,844.55. There is a deficit of receipts over expenditure of \$156.29. However two large transactions were receipted in July 2007 as well as subscriptions billed again in June. Thus the deficit reflects timing issues rather than a decline in the accounts (although the true surplus is only half of that for the previous financial year).

2006 conference made a small loss, but this included the production and postage of the conference proceedings sent to members. Other expenditure was under budget due to cost containment. Only Auckland had a function (subsidised by Engineering Science) for a widely publicised and well-attended talk by Mike Trick. The other branches will have a similar opportunity when he visits in the new financial year (there was no corresponding visitor expense in 2006-2007).

The term deposits were consolidated into one to get a better interest rate and to save data entry in the second half of the financial year (matures 2 Jul 2007). Hence interest income is up. It and the GST return show up in the 2007-2008 accounts at the beginning of the new year (July).

We still have a surplus from the MinandMax project of \$676.15 (the production of a poster and brochures to promote Operations Research in schools). i.e. nothing was spent in the last two financial years.

The upgrade of the accounting system was justified in the painless reconciliation of the accounts throughout the year, although some fine tuning is still possible. It had been hoped that a student could be obtained for Summer School to interface the system to BNZ Merchant services. BNZ have changed its process – we now require authorisation numbers for every (manual) transaction and can only process 5 at a time in this way.

An interface between the conference registration system and the accounts would also save on data entry.

Banking of cheques by recipients was more timely in 2007. As a consequence there are no unrepresented cheques at the end of the financial year. This speeds up auditing. However writing a series of reminder letters to pay subscriptions (even though we aim to time them with the newsletter) costs office holders time and the society money.

John Paynter
Hon. Treasurer

Auckland Branch Report

The Auckland Branch of ORSNZ continues to be active. On May 17th the Branch hosted a social occasion after the John Hood Invited Lecture by Mike Trick entitled: "Operations Research: The Science of Better". This lecture, reported on elsewhere in this Newsletter drew an audience of approximately 100 people from the Auckland region. It was very gratifying to see such a large turnout. Gazing around the audience, this correspondent noted Phil Bishop from the Electricity Commission who had flown up from Wellington, Jim Corner who had come up from Hamilton for this talk, Merv Rosser, who we all know as a life member of ORSNZ, Jeff Meyer and Cory Williams from Optima Corporation, the Engineering Science graduates who now work in Derceto, and Geoff Leyland from Incremental. There were also many people there I did not know, who evidently work in Auckland in an OR-related field. Mike's lecture was stimulating, informative, and amusing.

The evening was rounded off well with a social function sponsored by ORSNZ. A number of enquiries were made at this function about the Society and its purpose. Most gratifying was seeing the number of people at the talk who now work in an OR related field – enough to want to come and hear such a talk. The challenge for the Society is to encourage the same people to come and present what they are doing at the ORSNZ Conference.

On November 28, the Auckland Branch of ORSNZ and the Department of Engineering Science will host a one-day invited workshop on Modelling Competition in Supply Chains in conjunction with the ORSNZ Conference. This is to coincide with the visit of Gerard Cachon, who is Fred R. Sullivan Professor of Operations and Information Management at the Wharton School. He is visiting the Department of Engineering Science until June 2008. Gerard's interests encompass most of Operations Management (he is joint author of the textbook "Matching Supply with Demand: An Introduction to Operations Management") and he has published widely in the field. His recent research focuses on understanding how supply chains work in practice, and how their observed operation can be explained using game-theoretical models. With Professor Mike Trick (who is in Auckland until December) Gerard will be a plenary speaker at the ORSNZ Conference in Auckland on November 29 and 30.

The Auckland Branch celebrates the success on November 15 of our corporate sponsor Optima Corporation in winning a Technology Commendation by the Foundation for Research, Science and Technology in recognition of outstanding achievement in designing and applying cutting-edge technology in developing the SIREN software system for ambulance simulation.

President of ORSNZ, Professor David Ryan has been elected a Fellow of INFORMS. He travelled to Seattle in early November to be formally inducted into the INFORMS Fellowship. This is a great honour for David and for ORSNZ, and we extend him our warmest congratulations.

Andy Philpott
Auckland Branch Chair

Wellington Branch Report

It has been a quiet year for the Wellington Branch of ORSNZ. However, we have managed to contribute to the Newsletter!

The highlight of the year was undoubtedly when Prof Mike Trick (Carnegie Mellon University), the 2007 ORSNZ Visiting Lecturer, visited Wellington (9–10 August). Mike was a fantastic advertisement for Operations Research. He gave two talks: “Integer and Constraint Programming Approaches to Sports Scheduling” and “The Science of Better: Practical Operations Research”. The first talk was a fascinating insight into the computationally extremely-difficult problem of scheduling Major League Baseball in the USA, while the second talk outlined how Operations Research lies at the heart of businesses such as Google, FedEx and Amazon. A number of our students attended these talks and reported back how interesting they were.

Congratulations to John Davies on his promotion to Professor! John’s research is based around the centrality of decision making as a managerial activity, and the exploration of frameworks and perspectives that improve our understanding of effective decision processes. Vicky Mabin is delighted to have handed over the reins for the Wellington branch to Mark Johnston. She is also hoping to find someone to pass the role of International Liaison to. A huge vote of thanks to Vicky for her tireless work over many years for the Wellington branch and ORSNZ. Congratulations also to Bob Cavana for a bumper year of publications including the second edition of his “Systems Thinking, System Dynamics” book.

It is also encouraging to hear of the successes of former students. Two recent OR graduate students from VUW, Sarah Marshall and Tineke Poot, have joined the PhD programme at Edinburgh University. Sarah and Tineke both benefited from giving student talks at past ORSNZ conferences.

Challenges for 2008 include: compiling a programme of interesting local branch talks (any volunteers?), increasing the involvement of local OR practitioners (the real OR people), and attracting more students to OR (and joining ORSNZ). We are so privileged to have such a diversity of people in Wellington interested in OR, including many former office holders of ORSNZ.

Mark Johnston
Wellington Branch Chairperson

Christchurch Branch Report

The Canterbury Branch of the ORSNZ has had a very quiet year.

Professor Rüdiger Schultz visited in February, a usually quiet time of year. Professor Schultz gave a fascinating seminar on stochastic integer programming mean-risk models in energy.

Professor Hsiao-Fan Wang finished her visit to Canterbury in July this year. Hsiao Fan was on her second visit to the University of Canterbury. In 2002 Professor Wang held an ORSNZ visiting lecturer fellowship.

This year also saw the visit of Professor Mike Trick as ORSNZ visiting lecturer in August. Professor Trick's seminar was well received and sparked interest from the local business community.

Shane Dye
Canterbury Branch Chair

Newsletter Editor's Report

In 2007, three issues of the newsletter have been published: February 2007 (12 pages), June 2007 (20 pages), and October 2007 (16 pages). That means, I have given up the nominal March, June, September and December dates, mainly because there is sometimes not enough material to fill an issue (which must have a positive integer multiple of 4 pages for printing reasons). December is also an awkward date. Reports on the annual conference are not usually available until later in January.

The printing by Hoare Research Software runs very smoothly and I am grateful to HRS for the continuing support of our society. Except for the back page adverts of HRS there have been no paid ads, despite a number of contacts.

As usual, I would like to thank those people who sent more or less unsolicited contributions or allowed me to reprint their articles, thereby sustaining the newsletter: John Paynter, Fernando Beltran, Michael Trick, Anthony Downward, Andrew Mason, Federico Della Croce, Line Frølund Madsen, Shane Dye, Andrea Raith, Lizhen Shao, and Oliver Weide.

Unfortunately, branch chairs have to be reminded often to send news from the different chapters and a number of blanks have occurred in the chapter news column, giving the impression of very little activity in the Waikato and in Canterbury.

Matthias Ehrgott
Newsletter Editor