



**Operations Research Society of  
New Zealand (Inc)**  
PO Box 6544  
Wellesley St  
Auckland  
New Zealand

## ANNUAL REPORT 2011/2012

### President's Report

My fourth year as president of the Operations Research Society of NZ has been a time of change for the society and the wider Operations Research community.

#### Membership

At the last annual general meeting (AGM), it was agreed to reduce membership fees to zero, but introduce a joining fee equivalent to the previous annual membership rates. (This AGM was held electronically, with the intention that this provisional change be confirmed at the next AGM scheduled for the ORSNZ conference in Wellington.) This change is made possible by a move to a lower cost base involving electronic-only distribution of newsletters and conference proceedings. (As reported in the last president's report, there was little support amongst members for the continued printing and posting of material.)

As a result of this AGM decision, no subscription requests were sent out this year (a change greatly appreciated by the treasurer!), and the only membership changes were the addition of a student member. The table below shows our resulting membership counts at 20/11/2012. The figures show the count of paid up members, while the bracketed figures show the additional count of members who are carrying forward negative subscription balances.

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Corporate Sponsors									2	3
Corporate Members	4	4	4	3	3	3(1)	3(1)	5(2)	5	5
Corporate Representatives	5	5	5	4	3		6	5	8	7
Life Members	1	1	1	1	1	1	1	1	2	2
Standard Members	43 (69)	43 (69)	53 (23)	42 (30)	50 (23)	52 (19)	62 (17)	77 (13)	91	94
Members (overseas)	10 (11)	10 (11)	14 (5)	10 (8)	7 (6)	8 (5)	8 (8)	17 (5)	8	14
Members (no branch)	3 (9)	3 (9)	5 (5)	4 (6)	4 (6)	10 (4)	11 (5)	16 (2)	12	13
Retired Members	4 (4)	4 (4)	7 (3)	8 (2)	8 (1)	7	5	5	5	4
Student Members	1	0	20 (22)	25 (20)	14 (30)	23 (16)	26 (18)	35 (19)	41	51
Total Membership	71 (93)	70 (93)	109 (58)	96 (67)	90 (66)	104 (45)	122 (49)	161 (41)	174	193

Table 1: Membership counts. The 2011 data above was correct at 8/2/2012. The 2012 data is correct as at 29/11/2012.

At the forthcoming AGM, I wish to seek confirmation of our move to no annual fees combined with entry fees as proposed at the last AGM. I also wish to explore how to best exploit this change to grow our membership base. I will also be seeking feedback from members on the value they see in continuing to pay membership fees to the Royal Society of NZ and the International Federation of Operations Research Societies (IFORS).

### Finances

As you can see in the Treasurer's report, our financial reserves continue to be in a healthy state. I wish to acknowledge the excellent contribution Andrea Raith continues to make as our treasurer. I'd also like to acknowledge, once again, the work of our long standing auditor Paul Rouse, who has risen to the task of ensuring we can have full confidence in our financial records. We are very grateful to Andrea and Paul for their contributions.

### Newsletter

This year we welcomed Tony Downward (Engineering Science, University of Auckland) to the Council who joined us as newsletter editor, replacing Kenneth Kuhn who left this position last year. This is an important role, and I am grateful to Tony for taking on this responsibility.

We are very grateful for the support we received from Hoare Research Software Ltd (<http://www.HRS.co.nz>) over the past years in covering the printing costs of our newsletter.

### Council

I wish to thank all the Council members, listed below, for their contributions over the year.

<b>President</b> <a href="#">Andrew Mason</a>		<b>Vice President</b> <a href="#">Matthias Ehrgott</a>	
<b>Newsletter</b> <a href="#">Anthony Downward</a>	<b>Secretary</b> <a href="#">Geoff Pritchard</a>	<b>Treasurer</b> <a href="#">Andrea Raith</a>	<b>Council (APORS / IFORS Rep)</b> <a href="#">David Ryan</a>
<b>Council</b> <a href="#">Alastair McNaughton</a>	<b>Council</b> <a href="#">Ross James</a>	<b>Council</b> <a href="#">Stefanka Chukova</a>	<b>Council</b> <a href="#">Andy Philpott</a>
<b>Council (Industry Representative)</b> <a href="#">Geoff Leyland</a>	<b>Council</b> <a href="#">Paul Rouse</a>	<b>Council (ex Treasurer)</b> John Paynter	<b>Council</b> <a href="#">Fernando Beltran</a>
<b><a href="#">Auckland Branch</a> Chair</b> <a href="#">Golbon Zakeri</a>	<b><a href="#">Christchurch Branch</a> Chair</b> <a href="#">Grant Read</a>	<b><a href="#">Wellington Branch</a> Chair</b> <a href="#">Mark Johnston</a>	<b>Waikato Branch Chair</b> <a href="#">John Buchanan</a>

## **ORSNZ 2012 Conference in Wellington**

Our colleagues in Wellington have been very busy over the last few months getting ready for the next ORSNZ conference taking place at Victoria University from December 10-11; see <http://conf46.orsnz.org.nz/> for more details. I am very grateful for the many hours provided by Stefanka Chukova, John Haywood, Mark Johnston, Nokuthaba Sibanda to put all the pieces into place. I'd also like to congratulate Mark on the recent birth of his third son, and say thank you for juggling this with the major contribution Mark has made to the conference organisation.

I am looking forward to the conference plenary address being delivered by Professor Grant Read, who has made huge theoretical and practical contributions to the electricity sector in both New Zealand and overseas. We also welcome Paul Reid to our conference as our second plenary speaker. As Group General Manager Innovation and Technology for New Zealand Post Group, Paul brings a strong practical commercial focus to the conference that I'm sure will broaden the scope and value of our conference.

I am very grateful to our conference sponsors, which include The Optima Corporation (developers of specialist software for ambulance operators), Derceto (developers of water optimisation software), Concept Consulting Group (a consulting firm working in the energy sector), Orbit Systems (an NZ Operations Research company), Hoare Research Software Ltd (suppliers of technical software), and the Department of Engineering Science at the University of Auckland. It is wonderful to have such a broad base of support for our conference. This sponsorship is essential to ensuring we can continue to offer the Young Practitioner Prize and support our student and recent graduate members with reduced conference fees and travel grants.

## **Operations Research at Canterbury**

The ongoing challenges in Christchurch have contributed to difficult times for the Canterbury OR group. This culminated in the University of Canterbury deciding this year to drop Operations Research at Canterbury. This has resulted in a number of the Canterbury OR staff being made redundant, while others are switching to part-time roles. Some ORSNZ members have been fortunate to maintain their positions under an Operations Management umbrella. Our thoughts are with all our colleagues who have been impacted by these changes as they work to find new jobs or create new opportunities in NZ and overseas.

## **Future Conference Arrangements**

The changes at Canterbury have significant implications for the society, of which perhaps the most obvious is the rotation of conferences through the Auckland, Christchurch and Wellington ORSNZ branches that we have traditionally operated. It is not clear that this can practice can continue, and so a new structure will likely need to be found. Possible alternatives include joint conferences with the NZ Statistics Association and/or the Australian OR Society, or perhaps less frequent meetings being held at the stronger branches. This matter will need to be discussed at the AGM.

*Andrew Mason*  
President

## **Treasurers Report 2011/2012**

The funds available at the start of the period (01/07/2011) were \$59,362.50. The funds at the end of the period (30/06/2012) were \$59,562.19. There is an excess of receipts over expenditure of \$199.69.

There was no 2011 ORSNZ conference, hence there is no 2011 conference-related expenditure or income. Some sponsorship income from the 2010 conference was only received in the 2011/2012 period. Likewise, some conference-related expenditure was only paid back to the Engineering Science Department in the 2011/2012 period. We thank the department for making the conference very easy to organize by taking care of all those small payments.

Two prizes given at the 2010 conference were sponsored by the Energy Centre at the University of Auckland. We only paid the prizes out to the students after the sponsorship was received, so those payments also fall into the 2011/2012 period.

There is a significant drop in membership subscription income. Most subscription income received was for the 2010/2011 period and there were only few receipts in 2011/2012. This is because it was discussed at the last AGM that the ORSNZ may remove subscription fees completely, and a final decision on this was deferred to the 2012 AGM. Hence, no subscription payment requests were sent to ORSNZ members in 2011/2012.

We had very few branch related expenses in 11/12. Maybe branches would like to organise some ORSNZ sponsored events?

Some changes in expenses from the 2011 accounts are due to the timing differences (and the number of years respective payments cover). This is the case for IFORS subscription (which was paid for one year only). The PO Box rental was paid later than usual which is why it doesn't show as a 2011/2012 expense.

Postage and administration costs dropped significantly as no conference proceedings had to be sent out in 2011/2012. Visa related charges have decreased, which is expected due to lower income received. The credit card account comes with a fixed monthly fee of \$35 and an additional charge depending on volume. The ORSNZ is no longer GST registered hence there is no GST payment or refund in the 2011/2012 period.

\$36,430.03 was held on term deposit at the end of the financial year. It is continuing to be rolled over every 180 days. Interest earned was comparable to the 2010/2011 period.

*Andrea Raith*  
Hon. Treasurer

## **Christchurch Branch Report**

As Christchurch continued to deal with the aftermath of a series of earthquakes, the only formal ORSNZ branch meeting for 2012 was a rather topical seminar on "Operations Research Models in Evacuation Planning", from ORSNZ visitor Horst Hamacher.

But 2012 has been a year of radical change for OR/MSCI group at Canterbury, and hence for the Canterbury ORSNZ Branch. While some staff were moved into offices in the Law building, the core of the MSCI group remained in temporary open plan accommodation. More importantly, falling student numbers have forced the University into downsizing, with more to come. Thus, in February, the University proposed that the "OR" part of the MSCI programme be discontinued, leaving some staff teaching a considerably reduced programme in "OM" and "Quantitative Methods" and, after consideration of a counter-proposal, that was confirmed by the University Council, in May.

A combination of voluntary and involuntary redundancies have now reduced permanent staff from nine down to three, all in "OM" rather than "OR", with one of those having significant administrative duties, as Dean. Four former staff members will retain adjunct appointments for 2013, with two doing some part time transitional teaching. They will oversee completion of five PhD and one MSc theses, but only three of those students will still be resident. The Honours programme, the 300-level OR courses, and all but one of the 200-level OR courses have now been discontinued. Two introductory OR courses will remain for 2013, but will probably change, or disappear, after that.

Some former staff may continue in part time consulting roles, or teach in related areas, but there has never been a strong OR presence in "downtown Christchurch". In fact there is no longer any "downtown" in Christchurch, and recent downsizing has further reduced the OR presence to virtually zero. Thus the viability of maintaining a "Christchurch branch" must now be seriously questioned.

*Grant Read*

Christchurch Branch Chair  
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## **Wellington Branch Report**

Stefanka Chukova was on research and study leave during the first half of 2012. Since her return, we have been busy with organisation of the upcoming ORSNZ conference. Many thanks to Bob Cavana for suggesting (and organising) a workshop on Systems Thinking, Systems Modelling and Systems Practice in association with the Australian and New Zealand Systems group ([www.anzsys.org](http://www.anzsys.org)). Bob and our other colleagues in the Faculty of Commerce are now known as Victoria Business School.

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## **Auckland Branch Report**

(Forthcoming)

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