

D1/March 2018

Diploma in procurement and supply

Contexts of procurement and supply

Date **Monday 5 March 2018**

Time **Start 09:30** **End 12:30** **Duration 3 hours**

QUESTION PAPER

INSTRUCTIONS FOR CANDIDATES

This examination has **FOUR** compulsory questions worth 25 marks each.

1. Do not open this question paper until instructed by the invigilator.
2. All answers must be written in the answer booklet provided.
3. All rough work and notes should be written in the answer booklet.

QUESTIONS

You are advised to spend 45 minutes on each question.

- Q1** (a) Explain the importance of **EACH** of the 'five rights of procurement', outlining the added value each might achieve for the procuring organisation. **(20 marks)**
- (b) Explain **ONE** additional source, other than the 'five rights', of potential added value in procurement and supply. **(5 marks)**
- Q2** (a) Outline **THREE** ways in which supplier selection may add value in the sourcing process. **(9 marks)**
- (b) Describe **FOUR** uses of electronic systems in the sourcing process. **(16 marks)**
- Q3** (a) Describe **FOUR** alternative structures for the procurement function in an organisation. **(16 marks)**
- (b) Outline **THREE** areas in which organisational policies could affect the procurement function. **(9 marks)**
- Q4** Discuss **FIVE** ways in which the objective of profitability, in a private sector organisation, might impact on its procurement activities. **(25 marks)**

END OF QUESTION PAPER



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