



## Diploma in procurement and supply

# Contexts of procurement and supply

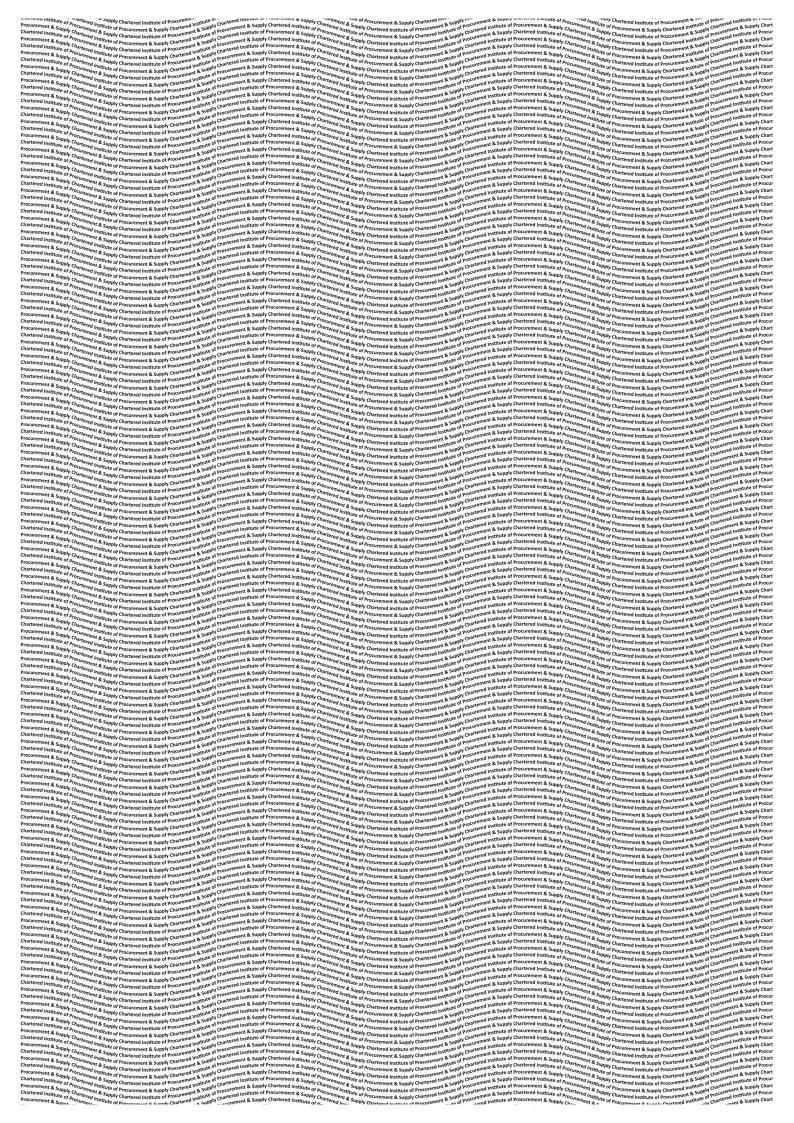
Date	Monday 18 May 2015			
Time	Start 14:00	End 17:00	Duration	3 hours

## **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 Explain FIVE differences between operational expenditure and capital expenditure. (25 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) Explain FIVE ways in which IT based inventory management systems can be used by the procurement and supply chain function. (15 marks)
  - (b) Define the term 'Conflict of Interest' and explain why governance in this area is particularly important for procurement. (10 marks)
- Q4 (a) Compare a private sector organisation with a public sector organisation in the following THREE areas:
  - (i) Legal and regulatory environments
  - (ii) Organisational objectives
  - (iii) Importance of corporate social responsibility.

(15 marks)

(b) Describe FIVE ways in which the charitable status of a third sector organisation impacts on its procurement function. (10 marks)

**END OF QUESTION PAPER** 

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