

D1/November 2014

Diploma in procurement and supply

Contexts of procurement and supply

Date **Friday 21 November 2014**

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 (a)** Explain, with examples, the characteristics of each of the following purchasing categories:
- (i)** Commodities
 - (ii)** Goods for resale
 - (iii)** Maintenance, repair and operating (MRO) supplies. **(15 marks)**
- (b)** Outline **FIVE** circumstances where 'buying for stock' would be an appropriate procurement policy. **(10 marks)**
- Q2 (a)** Analysing the supply market is one of the key pre-contract stages in the sourcing process.
- Outline **FIVE** possible sources of information for finding potential suppliers at this stage of the sourcing process. **(10 marks)**
- (b)** Explain **THREE** reasons for using a clear specification when defining needs as part of the sourcing process. **(15 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 (a)** Describe **THREE** objectives of public sector organisations. **(9 marks)**
- (b)** Explain **FOUR** ways in which regulation might impact on public sector procurement. **(16 marks)**

END OF QUESTION PAPER

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