

D2/July 2015

Diploma in procurement and supply

Business needs in procurement and supply

Date Tuesday 21 July 2015

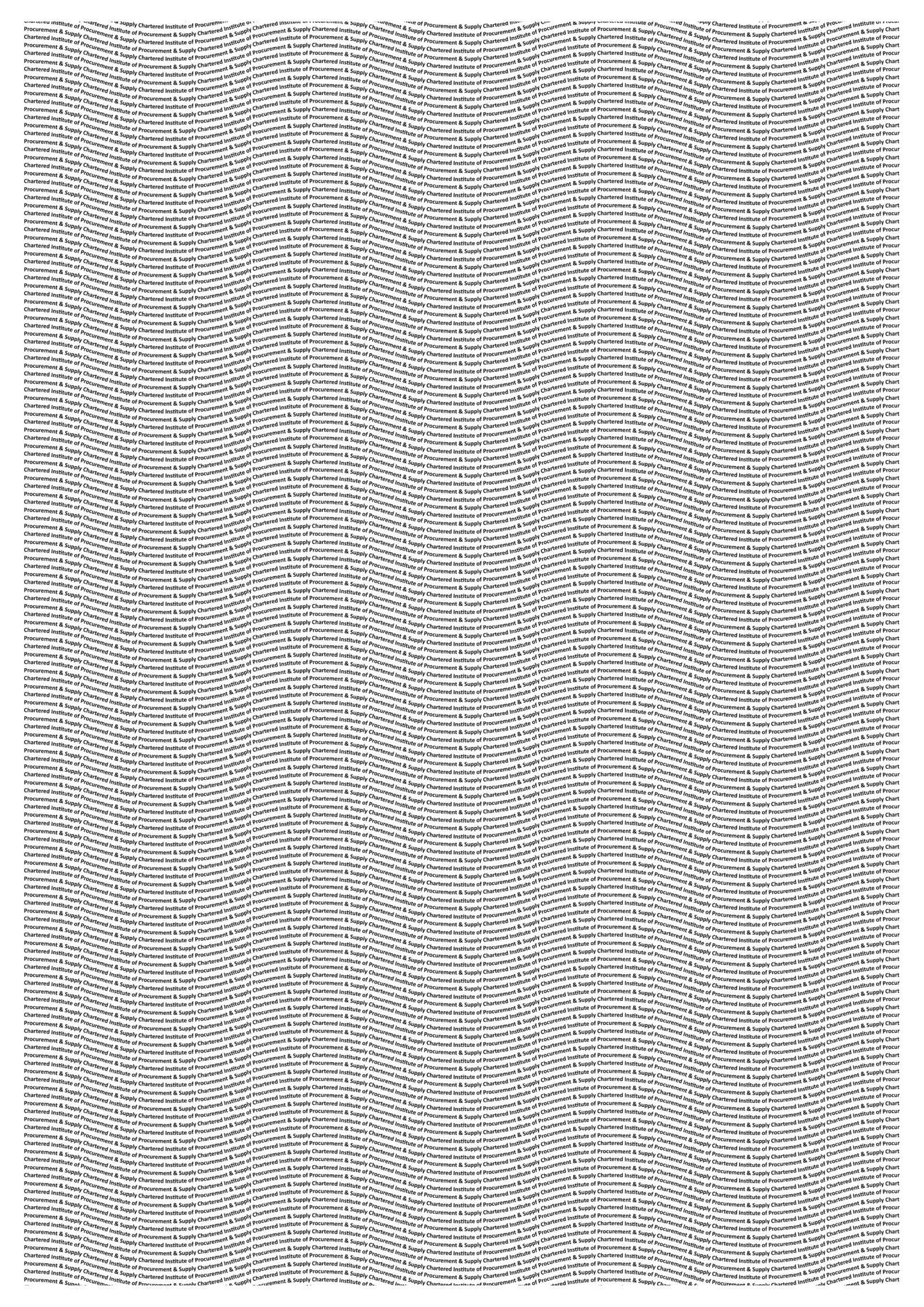
Time Start 14:00 End 17:00 Duration 3 hours

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** objectives of a business case that could be used as the criteria to judge its success. **(25 marks)**
- Q2 (a)** Explain **FOUR** reasons why writing a specification for services may be more difficult than writing a specification for physical products. **(16 marks)**
- (b)** Explain **THREE** reasons why a specification may not be effective in communicating requirements. **(9 marks)**
- Q3 (a)** Explain **THREE** areas where a supplier's and a buyer's terms may differ prior to the agreement of a contract. **(15 marks)**
- (b)** Explain the difference between 'liquidated damages clauses' and 'penalty clauses' in contracts. **(10 marks)**
- Q4 (a)** Describe **FOUR** factors that have contributed to the growth of outsourcing. **(16 marks)**
- (b)** Outline **THREE** risks to an organisation of outsourcing a non-core activity. **(9 marks)**

END OF QUESTION PAPER

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