

D4/January 2015

Diploma in procurement and supply

Negotiating and contracting in procurement and supply

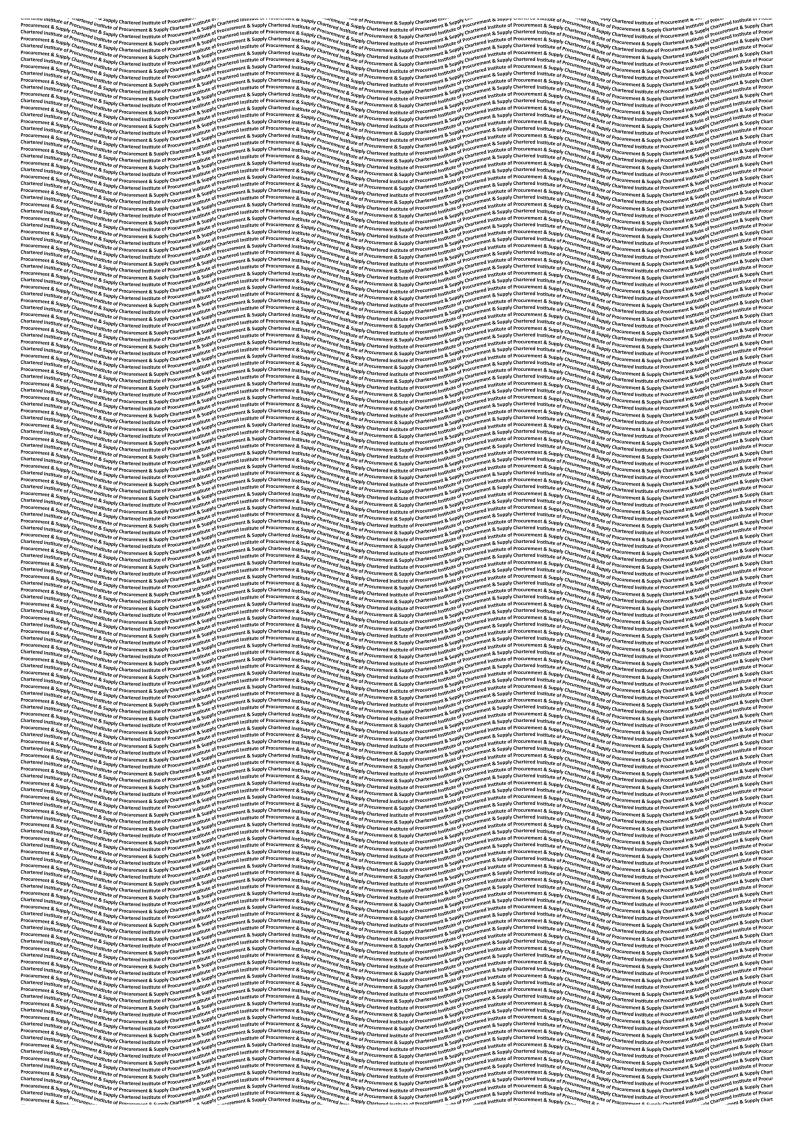
Date	Monday 26 January 2015			
Time	Start 14:00	End 17:00	Duration	3 hours

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 (a) Discuss TWO key performance indicators that could be used in a contract with a supplier.

 Illustrate your answer with relevant examples. (10 marks)
 - (b) Explain **THREE** reasons why it may be more difficult to develop specifications in contracts for services rather than in contracts for goods. (15 marks)
- Q2 (a) Explain FIVE differences between integrative and distributive approaches to negotiation. (15 marks)
 - (b) Discuss **TWO** reasons why a buyer might develop a 'best alternative to a negotiated agreement' (BATNA) when preparing for a negotiation. (10 marks)
- Q3 (a) Discuss resourcing considerations when organising a negotiation with an external organisation. (15 marks)
 - (b) Explain the importance of setting objectives and defining variables when preparing for a commercial negotiation. (10 marks)
- Q4 (a) Identify THREE types of non-verbal communication and explain why each is important in negotiation. (9 marks)
 - (b) Explain the use of FOUR different types of questions in a negotiation. (16 marks)

END OF QUESTION PAPER

BLANK PAGE

BLANK PAGE

BLANK PAGE

