

D5/March 2015

Diploma in procurement and supply

Managing contracts and relationships in procurement and supply

Date **Wednesday 11 March 2015**

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 Explain, and illustrate with a diagram:

(i) A supplier preferencing matrix. (10 marks)

(ii) A risk assessment matrix. (15 marks)

Q2 (a) Explain the difference between vital and non-vital contract terms. (16 marks)

(b) Discuss, with examples, implied terms in contract law. (9 marks)

Q3 Explain, using **ONE** example for each, the following types of contractual risk:

(i) Internal risks

(ii) Market risks

(iii) Economic risks

(iv) Legal risks

(v) Ethical sourcing risks. (25 marks)

Q4 (a) Explain, using examples, **THREE** techniques that could be used for supplier development. (15 marks)

(b) Explain, from the suppliers' perspective, **ONE** advantage and **ONE** disadvantage of supplier development. (10 marks)

END OF QUESTION PAPER

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