

D5/May 2015

Diploma in procurement and supply

Managing contracts and relationships in procurement and supply

Date Friday 22 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** Analyse **FIVE** examples of added value that could be achieved for an organisation by having a positive relationship with its suppliers. **(25 marks)**
- Q2** (a) Explain **THREE** legal remedies available to a purchaser when a breach of contract occurs. **(15 marks)**
- (b) Outline the main drawbacks of litigation as a method of resolving contractual disputes. **(10 marks)**
- Q3** (a) Explain an approach that might be used by a procurement organisation to assess contractual risk. A diagram or matrix may be used to support your answer. **(10 marks)**
- (b) Outline **THREE** resources that could contribute to effective contract management. **(15 marks)**
- Q4** (a) Explain **FIVE** key performance indicators (KPIs) that can be applied to measure a supplier's performance. **(15 marks)**
- (b) Explain **TWO** ways in which the use of KPIs can enhance the relationship between a purchaser and supplier. **(10 marks)**

END OF QUESTION PAPER

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