

**INDIAN INSTITUTE OF MATERIALS MANAGEMENT
GRADUATE DIPLOMA IN PUBLIC PROCUREMENT**

Paper No.5

Negotiations and Supplier Management

DEC-2010

Date: 11.12.2010

Time: 2.00 pm to 5.00 pm

Max Marks: 100

Duration: 3 Hours

Note:

Part A contains 4 questions, each question carries 10 marks. Attempt all 4 questions

Part B contains 7 questions, attempt any 4 questions. Each question carries 15 marks

PART-A

Answer all four questions. Each question carries 10 Marks. Total 40 Marks for this section.

Q1. State True or False:

- 1.1 An organization's Ethics Officer should be one of its top managers.
- 1.2 Approvals that do not add value to a process should be eliminated.
- 1.3 Probing questions cannot get you the information you need during negotiations.
- 1.4 The critical path does not comprise all activities that will result in a delay to the schedule if they are delayed.
- 1.5 Good negotiators need not learn from past mistakes.
- 1.6 Negotiations stop after the contract is signed.
- 1.7 Briefing the contract team is not essential before the negotiations.
- 1.8 Routine items should require same contract management effort even though both risk & costs are low.
- 1.9 Pre-qualification objectives need not limit bidding to capable suppliers
- 1.10 Market price is not what buyers are actually paying for the product in the market place.

Q2. Write the full form of the following abbreviations as used in the context of public procurement.

2.1 LCIA	2.6 SWOT
2.2 CVs	2.7 AAA Rules
2.3 ITT	2.8 UNCTAD
2.4 ADR	2.9 UNCITRAL
2.5 CISG	2.10 ILO

Q3. Match the columns:

1. Emotions	a) can destroy relationships
2. Compromise	b) should focus on minimizing overall costs and supply risk.
3. Logic	c) helps to understand the suppliers relationship.
4. Botle neck items	d) the range within which the chances for an agreement are located.
5. Leverage items	e) making the other party understand your feelings on an issue
6. The negotiable zone	f) post-award supplier complaints
7. Procurement & Supply strategy	g) should not require significant management contract management efforts either as risks are low.
8. Payment delays	h) are high risk and require your full attention.
9. Bidder complaints	i) using a rational argument based on facts and figures.
10. Supply positioning model	j) agreeing to meet somewhere in between the two positions

Q4. Fill in the blanks.

- a) You need to the process as well as outcome.
- b) Public procurement professionals dealing with international trade be with the Arbitration rules.
- c) The best is one which is fair to both sides.
- d) CISG is a international trade that establishes guidelines for contracting and dispute resolution.
- e) There in no negotiating style.
- f) Negotiation are interrelated and linked to your negotiation objectives.
- g) Don't agree to any until all costs and possible are fully known to you.
- h) Total of is the total cost involved in acquiring and using the procured goods.
- i) Different types of product and services require procurement strategies.
- j) objectives should be ambitious but achievable, precise and measurable.

PART- B

Attempt any four questions. All Questions carry equal marks. Total Marks 60

- Q5. Preparing for a negotiation is essential to its success. Explain. What are the different negotiation styles?
- Q6. Describe in brief the salient features of the solicitation documents to be prepared by the Supplier.
- Q7. What is transparency in public procurement system? Explain. What is the role of ethics in the public procurement system?
- Q8. Write Short Notes on any three
 - a) Consultancy contract.
 - b) Supplier performance.
 - c) Arbitration.
 - d) Contract review register.
 - e) Bidder protests.
 - f) SWOT Analysis.
- Q9. What is contract management plan and how is it useful in procurement? Explain
- Q10. What is the importance of price and cost analysis during negotiations? Explain the price analysis in brief.
- Q11. Why is Alternate Dispute Resolution?. Describe various, methods and advantages of ADR.

.....