

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

**Paper No.5
Negotiations and Supplier Management**

Date: 10.06.2009
Time: 2.00pm To 5.00pm

Max Marks: 100
Duration: 3 Hours

Note:

Part A contains 4 main questions, each question carries 10 marks. Attempt all questions From **Part B**, Attempt any 4 questions. Each question carries 15 marks.

PART-A

Q1. State True or False:

- 1.1 Proprietary items are those which are offered by one supplier for reasons of Technology, Patents, Copy right etc.
- 1.2 Appearances of wrong doing can be just as damaging as actual violations.
- 1.3 The best agreement is one which is fair only to the Purchaser.
- 1.4 The later you discover the problems, the higher the risk.
- 1.5 Good negotiators learn from past mistakes.
- 1.6 It is essential to have a clear, detailed idea of what is needed before negotiations begin.
- 1.7 Formal complaint resolution procedures are essential ingredients for good governance.
- 1.8 The critical path does not comprise all activities that will result in a delay to the schedule if they are delayed.
- 1.9 Knowing how to ask questions is an Art.
- 1.10 Probing questions cannot get you the information you need during negotiations.

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

- 2.1 SWOT
- 2.2 ICSID
- 2.3 AAA
- 2.4 WBS
- 2.5 RFI
- 2.6 CISG
- 2.7 ITT
- 2.8 WIPO
- 2.9 LCIA
- 2.10 ILO

Q3. Very briefly explain – Any Two:

- 3.1 Bidder Protests & Complaints
- 3.2 Objectives & Strategy in Negotiations.
- 3.3 Arbitration & Mediation
- 3.4 Price and Cost Analysis.
- 3.5 Managing Time & Costs.
- 3.6 Policy & Procedures.
- 3.7 Procurement & Action File.

Q4. Fill in the blanks.

- a) Briefing the Contract is essential before the negotiations.
 - b) The signing of agreement is not the ... but the beginning.
 - c) Don't fall into the of agreeing to unjustified extras.
 - d) You need to the process as well as the outcome.
 - e) Approvals that do not ... value to the procurement process should be eliminated.
 - f) Public procurement professionals dealing with international trade be with the Arbitration rules.
 - g) Pre-qualification objectives limit bidding to capable suppliers.
 - h) The extent of public access must be against the need for confidentiality.
 - i) In negotiations the bargaining and proposal stages overlap.
 - j) Disputes are award supplier complaints.
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PART- B

Attempt any four questions. All Questions carry equal marks.

- Q5.** What is negotiation? Why is it essential in the procurement process? What are the various stages of negotiations?
- Q6.** What is transparency in public procurement system? Explain. What is the role of ethics in the public procurement system.
- Q7.** What is contract management plan and how is it useful? What does it address?
- Q8. Write short notes on any three:**
 - a) Porter Market Model (Variations)
 - b) E-Commerce.
 - c) SWOT Analysis.
 - d) UNCITRAL Model Law.
 - e) Monitoring the procurement process.
 - f) Managing Quality.
- Q9.** Why a contract management plan needs to be prepared and what should be included in it. Explain.
- Q10.** Why is it necessary to have bidder protests and disputes resolution necessary in the procurement process. Explain.
- Q11.** Describe in brief the salient features of the solicitation documents (bids) to be prepared by the supplier.
