DEC-09

INDIAN INSTITUTE OF MATERIALS MANAGEMENT GRADUATE DIPLOMA IN PUBLIC PROCUREMENT

Paper No.5

Negotiations and Supplier Management

Date: 14.12.2009 Max Marks: 100
Time: 2.00 pm to 5.00 pm 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 An Organization's Ethics Officer should be one of its top Managers.
- 1.2 The critical path comprises all activities that will result in a delay to the schedule if they are delayed.
- 1.3 Different type of products and services do require different procurement strategies.
- 1.4 An internal agenda will help to keep your team on track during the negotiations.
- 1.5 During Negotiations, emotions should be sincere and never exaggerated.
- 1.6 Routine items should require minimal management effort as both risks and costs are low.
- 1.7 Approvals should add value to the procurement process, not just processing time & costs.
- 1.8 Make sure that the value of change is higher than the cost of making it.
- 1.9 Excessive approvals are one of Public Procurement's most common bottlenecks.
- 1.10 Market value is 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 AAA
- 2.2 The ICC Rules.
- 2.3 ITT
- 2.4 LCIA
- 2.5 SMEs
- 2.6 RFP
- 2.7 RFI
- 2.8 UNICTRAL
- 2.9 ICC
- 2.10 CV

Q3. Very briefly explain – Any four:

- 3.1 Consultancy Contracts
- 3.2 Transparency.
- 3.3 Policy & Procedures.
- 3.4 Using Standards.
- 3.5 Supplier performance.
- 3.6 The Contract File.
- 3.7 Bidders complaints.

Q4. Fill in the blanks.

- a) Briefing the contract team is
- b) Payment can destroy relationships.
- c) Supply positioning model helps to understand the relationships required.
- d) Prequalification objectives bidding to capable suppliers.
- e) Bottleneck items are high risk and require your full
- f) In negotiations the bargaining and proposal often overlap.
- g) Probing during negotiations can get you the information you need.
- h) Public procurement professionals dealing with international trade to be conversant with the Arbitration rules.
- i) The best agreement is ... which is fair to both sides.
- j) Milestones are key achievements under the which are the result of a series of related activities.

PART-B

Attempt any four questions. All Questions carry equal marks.

- Q5. Preparing for a negotiation is essential to its success as preparation is important to all business analysis. Explain.
- Q6. Transparency forms an integral part of public procurement. Explain in detail.
- Q7. Why is Contract Administration and review important? Explain
- Q8. Write short notes on any three:
 - a) Negotiation styles.
 - b) Training Procurement Personnel.
 - c) Contracting Process.
 - d) SWOT Analysis.
 - e) Contract Budget.
 - f) Contract Management Teams.
- Q9. Streamlining procurement practices is one of the key strategies for reforming the procurement process. Explain this in detail.
- Q10. Describe in brief the salient features of the solicitation documents (bid) to be prepared by the supplier
- Q11. What are bidder's protests and dispute? How are these addressed in a structured way.