

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

Paper No.5

Negotiations and Supplier Management Date: 15.06.2015 Max Marks: 100 Time: 2.00 p.m to 5.00 p.m. **Duration**: 3 Hours

Instructions:

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 Negotiating with supplier is not always necessary or desirable.
- 1.2 Leverage items are available from very few vendors.
- 1.3 Pre-qualification objectives limit bidding to capable and interested suppliers.
- 1.4 Negotiations stop after contract is signed.
- 1.5 An internal agenda will help keep the team on track during negotiations.
- 1.6 Bottleneck items are high expenditure and low risk items.
- 1.7 Binding arbitration is favoured method of ADR...
- 1.8 CISG helps in mitigating risks..
- 1.9 Bid evaluation should be done only by purchase executive.
- 1.10 Incomplete or incorrect specification entail most of the risks.

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

2.1 ITT	2.3 SMEs	2.5 SWOT	2.7 UNCTAD	2.9 CISG
2.2 WIPO	2.4 SCC(Rules	2.6 LCIA	2.8 USP	2.10 RFP.

Q3. Fill in the blanks.

a)	Model is a tool to decide supply strategies.
b)	strategy of negotiation results in meeting objectives of both parties.
c)	methods refer to dispute resolution without resorting to litigation.
d)	Items offered by only one supplier based on patent or technology are calleditems
e)	schedule represents estimation of time for each activity for contract completion.
f)	All the risks affecting the contract implementation are to be mentioned in
g)	E-commerce model of contracting is particularly suited to procurement from
h)	Part of finalizing the bid is tothe bid.
i)	opportunity to bidders is one of the measures to reduce corruption.
j)	Making payment to supplier is the function ofdepartment

Q4. Match the columns:

1"Negotiable zone.

a) Scope of work and execution plan.

June 2015

2.Supplier perception model.	b) Limit bidding to few capable suppliers.			
3.Critical items.	c) Useful tool to define scope of work.			
4.Shipment problems	d) Solicitation documents.			
5.Approvals.	e) Not administered by any institution			
6.Adhoc arbitration.	f) How suppliers view your organization.			
7.Invitation to bid.	g) Range within which agreement is possible.			
8.Product and work breakdown structure.	h) Should add value to proposals.			
9.Pre qualification of suppliers	i) Schedule risk.			
10.Most important parts of the bid.	j) High expenditure and high risk items.			
PART- B				
Attempt any four questions. All Questions carry equal marks. Total Marks 60				
How will you analyze the price quoted by suppliers?				
Develop your negotiation strategy to buy your company's main raw material-the most critical item.				
What steps will you take to ensure on-time delivery of the contracted items?				

Q8. Write Short Notes on any three:

- a) Transparency in procurement.
- b) Consultancy contract..
- c) SWOT analysis.

Q5.

Q6.

Q7.

- d) Phases of negotiations.
- e) E-commerce.
- f) Creating successful bid.

.

- Q9. Explain advantages of alternative dispute resolution methods and also mention disadvantages.
- Q10. How will you write a bid to convince the buyer about your company's capability?.
- Q.11. Explain importance of "Contract risk register". What are the risks involved?
