



ICM

SEPTEMBER 2015

PURCHASING MANAGEMENT

Instructions to candidates:

- a) Time allowed: Three hours (plus an extra ten minutes' reading time at the start – do not write anything during this time)
 - b) Answer any FIVE questions
 - c) All questions carry equal marks. Marks for each question are shown in []
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1. Computers can bring many advantages to the purchasing function. However, they also have a number of disadvantages. Explain the advantages and disadvantages of computerised purchasing. [20]
 2. Review the potential advantages and disadvantages to a company of adopting a strategy of buying from overseas. [20]
 3. 'Effective purchasing is underpinned by a sound system of research.' Analyse the key areas of research that purchasing managers are likely to focus on. [20]
 4. Explain the role and contribution of wholesalers to the purchasing function. [20]
 5. Review the factors that a company will take into account in coming to a 'make-or-buy' decision. [20]
 6. Explain what **just-in-time purchasing** is and assess its advantages and disadvantages. [20]
 7. Review the importance of sourcing in analysing market conditions. [20]
 8. The inspection of incoming goods is a key part of the purchasing process. Analyse the methods of inspection that a purchasing manager can use. [20]