



ICM

JUNE 2016

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. Explain the appropriate content and use of a **purchasing manual**. [20]
 2. Analyse the main causes of price variations that a purchasing manager will often encounter when buying similar goods and supplies. [20]
 3. Many companies adopt a strategy of stock purchasing. Review the advantages and disadvantages of stock purchasing as an approach. [20]
 4. Critically evaluate the methods of stock inspection typically used in organisations. [20]
 5. Computerised purchasing is now an ever-present feature of both domestic and international trading. Explain the advantages and disadvantages typically associated with computerised purchasing. [20]
 6. Purchasing is typically underpinned by a system of effective research. Analyse the main areas of research that a purchasing manager will focus on. [20]
 7. Many companies will pursue a policy of leasing equipment. Analyse the advantages and disadvantages typically associated with an approach of leasing equipment. [20]
 8. Critically review the concept of the **battle of the forms**. [20]