



ICM

JUNE 2016

PURCHASING STRATEGIES

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. Review and explain the commonly accepted components of the purchasing cycle. Illustrate your answer with a diagram of the purchasing cycle. [20]
 - 2. Undertaking a vulnerability analysis is often an important task to be completed by the purchasing team. Explain why this is the case and identify the areas that might be the subject of a vulnerability analysis. [20]
 - 3. Review the components of a Ten(d) to Zero programme. [20]
 - 4. Many buyers will encounter cartels during their purchasing activities. Explain what a **cartel** is and analyse the factors which might indicate the presence of a cartel. [20]
 - 5. Explain and evaluate the significance of the concept of procurement marketing. [20]
 - 6. Analyse the various supplier selection techniques available to an organisation. [20]
 - 7. Review EACH of the commonly recognised building blocks of a purchasing strategy. [20]
 - 8. Compare and contrast the concepts of purchasing strategy and strategic purchasing. [20]