



ICM

MARCH 2016

PURCHASING & MATERIALS 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 why there may be occasions when project purchasing becomes, in effect, a condition of contract. Support your answer with examples. [20]
 2. Effectively evaluating competitive tenders is a key part of the project management process. Set out the process that you would adopt to evaluate competitive tenders. [20]
 3. Analyse EACH of the options available to a project manager for the timing and order of deliveries for a project. [20]
 4. The storage of materials is an area where a project manager will want assurance that effective controls are in place. Review the problems that might arise if project materials are not stored properly. [20]
 5. Analyse the components of the purchasing cycle. [20]
 6. Explain the content of a typical purchase enquiry form. Support your answer with an example of a purchase enquiry form. [20]
 7. Analyse the content of a shortage list and explain its purpose. Illustrate your answer with an example. [20]
 8. Incoterms can play an important part in supporting the delivery of project material. Explain what **incoterms** are and analyse how they support the work of a project manager. [20]