Level 5  Advanced Diploma in Procurement and Supply

AD4 - Category management in procurement and supply

EXAM EXEMPLAR QUESTIONS

QUESTIONS
Q1  Learning outcome: 1.0

The Board of Management of a leading company that provides facilities management services (such as the maintenance of buildings, catering, cleaning and security) to customers that operate in both the private and public sectors, is looking to implement a category management process to improve their procurement and supply.

(a) Evaluate THREE differences between a reactive sourcing process and a strategic sourcing process. (12 marks)

(b) Propose a methodology that can be applied to categorise the company’s mix of expenditures. (13 marks)

Q2  Learning outcome: 2.0

To help initiate and prepare for the introduction of a category management process, propose the types and sources of data which can be used to assess:

(a) Current market conditions of a supply market. (13 marks)

(b) Commercial issues that have been experienced with current suppliers. (12 marks)

Q3  Learning outcome: 3.0

For the successful implementation of a category management strategy, it is vital to obtain the acceptance and support of internal stakeholders.

Explain how this acceptance and support can be best achieved. (25 marks)

Q4  Learning outcome: 4.0

(a) Justify THREE examples of performance measures that can be used to assess the success of a category management process. (9 marks)

(b) Assess the exit arrangements that should be applied if a category management process were to prove unsuccessful. (16 marks)