

**ZU/WI/7/EXM/6**

**UNIVERSITY EXAMINATION 2016/2017**

**ORDINARY EXAMINATION FOR THE BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT**

**BPS 1111: NEGOTIATION IN PURCHASING AND SUPPLY CHAIN**

**MANAGEMENT**

**DATE: DECEMBER 2016 TIME: 2 HOURS**

**INSTRUCTIONS: Answer question ONE [Compulsory] and any other TWO questions.**

**QUESTION ONE**

1. Define the term negotiation in procurement (2mks)
2. Discuss any fivecommon reasons for negotiating in procurement before a contract is entered into between the parties (8mks)
3. Explain the concept of balance power under negotiation in procurement (6mks)
4. Discuss the two major approaches to negotiation in a procuring entity (8mks)
5. Explain the concept of BATNA-Best Alternative to Negotiated Agreement (6mks)

**QUESTION TWO**

1. Discuss the three crucial variables that determine the balance of power when conducting a negotiation (10mks)
2. Explain any five characteristics of successful negotiators (10mks)

**QUESTION THREE**

1. discuss any five code of ethics that should be applied during negotiation process (10mks)
2. Name and discuss the essentially two types of documents involved in negotiation (10mks)

**QUESTION THREE**

1. Discuss the following negotiation styles highlighting its potential consequences in each style:
2. Competition (4mks)
3. Avoidance (4mks)
4. Collaboration (4mks)
5. Accommodation (4mks)
6. Compromise (4mks)