



**STRATHMORE BUSINESS SCHOOL**  
**BACHELOR OF SCIENCE IN SUPPLY CHAIN AND OPERATIONS MANAGEMENT**  
**END OF SEMESTER EXAMINATION**  
**SCM 2101: CONTRACT MANAGEMENT AND NEGOTIATION SKILLS**

**DATE:** Thurs, 25<sup>th</sup> July 2024

**TIME:** 10:30 – 12:30

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**Instructions**

1. This examination consists of **FIVE** questions.
2. Answer **Question ONE (COMPULSORY)** and any other **TWO** questions.

**QUESTION ONE**

**(30 MARKS)**

- A. Describe **THREE** circumstances in which it may be appropriate for a procurement function to use a performance specification to specify requirements in a commercial agreement  
**(6 Marks)**
- B. Explain **THREE** details that a typical 'Request for Quotation' (RFQ) form will include.  
**(6 Marks)**
- C. Suggest **FIVE** ways a buying organisation can improve its leverage with suppliers in commercial Negotiation  
**(10 Marks)**
- D. Explain **FOUR** tactics that may be used in a commercial negotiation.  
**(8 Marks)**

**QUESTION TWO**

**(20 MARKS)**

- A. Suggest **THREE** examples of 'active listening' that may contribute to effective commercial negotiations.  
**(6 marks)**
- B. Using **FIVE** characteristics, compare collaborative (integrative) negotiation with adversarial (distributive) negotiation.  
**(10 marks)**
- C. Identify the sources of information or insight that will assist you in avoiding time wasting in situation where there is no Zone of Possible Agreement (ZOPA) in commercial negotiation.  
**(4 Marks)**

**QUESTION THREE****(20 MARKS)**

- A. Explain how negotiation could be used during **THREE** different stages of the Procurement process. **(6 Marks)**
- B. Discuss **TWO** characteristics of a 'push' approach to influencing used by a negotiator in a commercial negotiation. **(4 Marks)**
- C. Suggest **THREE** cultural differences between the parties to a negotiation that may impact on the negotiation process or outcome. **(6 marks)**
- D. Enumerate **TWO** requirements that an offer must fulfil in order to be legally valid. **(4 marks)**

**QUESTION FOUR****(20 MARKS)**

- A. Explain what is meant by 'battle of the forms' in relation to the precedence of the buyer's contract terms or the supplier's contract terms. **(4 marks)**
- B. Discuss **FIVE** phases of a negotiation and suggest the activity that might take place at each stage. **(10 marks)**
- C. Suggest **THREE** persuasion methods that can be used in a negotiation. **(6 marks)**

**QUESTION FIVE****(20 MARKS)**

- A. Highlight **FOUR** critical questions at the heart of commercial agreement that, they may engage in with the supplier. **(4 marks)**
- B. Discuss **TWO** reasons why a buyer might develop a 'best alternative to a negotiated agreement' (BATNA) when preparing for a negotiation. **(4 marks)**
- C. With relevant examples, explain **THREE** vitiating factors that render contracts incomplete or invalid. **(6 marks)**
- D. Suggest **THREE** ways in which parties to a negotiation might reflect on their performance in the negotiation. **(6 Marks)**