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**UNIVERSITY EXAMINATION 2016/2017**

**SCHOOL OF BUSINESS AND ECONOMICS**

**DEPARTMENT OF MANAGEMENT**

**BBM/BCOM/BMOA**

**VIRTUAL VARSITY**

**UNIT CODE: BBM4215 UNIT TITLE: NEGOTIATIONS IN PROCUREMENT**

**DATE: APRIL 2017 MAIN EXAM TIME**: **2 HOURS**

**INSTRUCTIONS:**

* **Answer question one (Compulsory) and any other two questions.**

**Question One (30 Marks)**

1. Define negotiation and describe any four characteristics of negotiation. (10 Marks)
2. State the factors that will impact upon the buyer’s ability to negotiate. (6 Marks)
3. Negotiation cannot be completely ethical. Discuss (6 Marks)
4. What should negotiator do to effectively conduct negotiation? (6 Marks)
5. Highlight the approaches that may be used to unlock negotiation impasse.

(6 Marks)

**Question Two (20 Marks)**

1. Explain the differences between adversarial and collaborative negotiation approaches. (10 Marks)
2. Describe the various price contents of negotiation. (10 Marks)

**Question Three (20 Marks)**

1. Time is a vital consideration when planning negotiations. How can negotiation effectively manage time? (10 Marks)
2. Explain the various plays employed in a negotiation process. (10 Marks)

**Question Four (20 Marks)**

1. Under what circumstances would necessitate the use of negotiation to solve purchasing and supply problems. (10 Marks)
2. Describe the advantages and disadvantages of collaborative strategies.

 (10 Marks)

**Question Five**

1. What is cost analysis in negotiation? Explain the cost analysis methods applicable to negotiation. (12 Marks)
2. What are the characteristics of a good procurement negotiator? (8 Marks)