

CIPS Level 2 – Certificate in Procurement and Supply Operations

Module 1 - Introducing Procurement and Supply

SAMPLE EXAM QUESTIONS

OBJECTIVE RESPONSE QUESTIONS AND ANSWERS

The correct answer will be identified as [key]

- Q1. Which of the following is a definition of the term 'supply chain'?
- a. The way in which information passes from user to procurement supplier
 - b. The range of suppliers used by a procurement organisation
 - c. The network of organisations and activities involved with the flow and transformation of goods [key]
 - d. The types, frequency and organisation of deliveries to the end user

LO: 1

AC: 1.3

- Q2. A primary aim of a procurement professional must be to achieve ...

- a. value for money [key]
- b. stock control
- c. inventory management
- d. outsourcing

LO: 2

AC: 2.2

- Q3. Drag and drop the correct option into the blank space.

When defining the 5 rights of procurement and supply we should consider ...

quality, quantity, source, price

target, time [key], tally, tangent

LO: 2

AC: 2.2

Q4. Drag and drop the correct option into the blank space.

Defining involves evaluating the extent to which the proposed solutions will achieve the desired outcomes and also reconciling those benefits with the total lifetime cost of realising those benefits.

just in time, value for investment, corporate social responsibility, **value analysis [key]**

LO: 2

AC: 2.2

Q5. Which of the following is a key part of a decision to outsource?

- a. Make or buy [key]**
- b. Win or lose
- c. Buy or sell
- d. Pass or fail

LO: 3

AC: 3.1

Q6. In order to ensure value for money organisations must strive for ...

- a. timely delivery
- b. efficient and effective administration [key]**
- c. short supply chains
- d. inventory management

LO: 5

AC: 5.1

Q7. Drag and drop the correct option into the blank space.

Organisational reputation may be negatively affected by

low return on investment, poor communication, an ethical supplier, **an unethical supplier [key]**

LO: 6

AC: 6.1

Q8. Exploiting labour is an example of ...

- a. poor ethical practice [key]
- b. sound business practice
- c. good ethical practice
- d. progressive management

LO: 6

AC: 6.1

Q9. Drag and drop the correct option into the blank space.

The first four stages of the sourcing process are ...

identify need, request quotation, receive quotation

Agree costs, produce specification [key], raise purchase order, award contract

LO: 4

AC: 4.1

Q10. Customers are ...

- a. an example of an external stakeholder in the supply chain [key]
- b. an example of an internal stakeholder in the supply chain
- c. not considered to be part of the supply chain
- d. responsible for the management of the supply chain

LO: 3

AC: 3.2
