

**CIPS Level 3 – Advanced Certificate in
Procurement and Supply Operations
Module 2 - Ethical Procurement and Supply**

SAMPLE EXAM QUESTIONS

OBJECTIVE RESPONSE QUESTIONS AND ANSWERS

The correct answer will be identified as [key]

Q1. The stage of the procurement cycle when procurement can add most value is at the point when the business is....

- a. setting out and defining their needs [key]
- b. ready to source the market
- c. selecting the right supplier
- d. starting final negotiation with a short listed vendor

LO: 2

AC: 2.1

Q2. Drag and drop the correct option into the blank space.

are used to improve supplier performance.

The 5 rights, Action plans [key], Holiday allowances, Persuasive tactics

LO: 4

AC: 4.1

Q3. A supplier appraisal should take place.....

- a. before any orders are placed [key]
- b. after the goods have been delivered but prior to paying the invoice
- c. when liquidated damages are included in the contract
- d. at the end of the financial year

LO: 2

Ac: 2.3

Q4. A Corporate Code of Ethics is used to ...

- a. demonstrate organisational commitment to reinforcing ethical values across all procurement and supply practices[key]
- b. enforce ethical behaviours in the organisation
- c. hold employees responsible for unethical behaviour
- d. comply with international law

LO: 3

AC: 3.2

Q5. A buyer has a family member working for a potential supplier. This is an example of a ...

- a. conflict of interests [key]
- b. valued adding opportunity
- c. breach of ethics
- d. way to drive down costs

LO: 3

AC: 3.3

Q6. Drag and drop the correct option into the blank space.

is an example of a value for money criteria.

Supplier availability, Delivering quality[key], Ethical conformance, Use of standard materials

LO: 1

AC: 1.5

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

A specification seeks to “describe precisely what is needed, perhaps including detailed plans, designs, blueprints and technical drawings.”

Technical [key], output, performance, initial

LO: 2

AC: 2.2

Q8. Surveying the market is the initial element of ...

- a. supplier sourcing[key]
- b. customer sourcing
- c. price fixing
- d. value analysis

LO: 2

AC: 2.3

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

may be included in a definition of quality.

Fit for purpose [key], Cheapest production, Quickest production, Simplest production

LO: 1

AC: 1.3

Q10. A supplier is deemed to have breached the customer's ethical code. The buyer should...

- a. have a quiet word with his supplier contact
- b. make a note on the suppliers file for future reference
- c. nothing this is outside of the customer's authority
- d. escalate to a senior manager in their organisation immediately to maintain business integrity[key]

LO: 3

AC: 3.1.2
