CIPS Level 2 – Certificate in Procurement and Supply Operations

Systems Technology [L2M4]

Sample Exam Questions (Objective Response)

The correct answer will be listed below each question
Q1. Which of the following provides the purchaser with information of the user’s specific requirements?

   a. E-notice  
   b. E-requisition  
   c. E-contract  
   d. E-catalogue

LO: 1  
AC: 1.3  
Correct answer: B

Q2. Internet search engines can be used by a procurement professional to ...

   a. locate details about suppliers and customers  
   b. monitor supplier performance  
   c. obtain feedback on supplier credibility  
   d. update internal stakeholders

LO: 1  
AC: 1.2  
Correct answer: A

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

An [ ] describes a private and closed internal network used to communicate between a select group.

   Intranet  
   Internet  
   Extranet  
   Website

LO: 1  
AC: 1.2  
Correct answer: Intranet
Q4. What does the term ERP stand for in terms of e-procurement?

   a. External risk plan
   b. Embedded requirement purchase
   c. Electronic request payment
   d. Enterprise resource planning

LO: 2  
AC: 2.3  
Correct answer: D

Q5. Which of the following is an example of a system that is used to order from and to make payments to suppliers?

   a. MRP
   b. P2P
   c. ERP
   d. JIT

LO: 2  
AC: 2.3  
Correct answer: B

Q6. Using the Kraljic approach, if goods or services have a high value spend but low business risk, which contract category would they fall into?

   a. Leverage
   b. Routine
   c. Strategic
   d. Bottleneck

LO: 2  
AC: 2.2  
Correct answer: A
Q7. The total cost of quality can be evaluated by considering ...

   a. the costs of conformance plus the costs of non-conformance  
   b. the costs of conformance multiplied by the costs of non-conformance  
   c. the costs of conformance minus the costs of non-conformance  
   d. the costs of conformance divided by the costs of non-conformance  

LO: 3  
AC: 3.2  
Correct answer: A

Q8. A philosophy about quality that involves everyone in the organisation that seeks to enhance processes, products/services and the organisational culture is known as ...

   a. total personnel management  
   b. total target management  
   c. total quality management  
   d. total customer management  

LO: 3  
AC: 3.1  
Correct answer: C

Q9. A group of employees who meet regularly to consider ways of resolving problems and improving production in their organisation is known as ...

   a. a quality circle  
   b. a union circle  
   c. an employee circle  
   d. a resolution circle  

LO: 3  
AC: 3.3  
Correct answer: A
Q10. Drag and drop the correct option into the blank space.

is a methodology used to forecast, plan for and co-ordinate the requirement for products and services.

Quality management
Demand management
Flow management
Supply management

LO: 1
AC: 1.1
Correct answer: Demand management

Q11. Drag and drop the correct option into the blank space.

An is an online website where buyers can purchase goods and services.

e-invoice
e-marketplace
e-tender
e-sourcing

LO: 1
AC: 1.2
Correct answer: E-marketplace

Q12. What are Google, Bing and Yahoo examples of?

a. Internet providers
b. URLs
c. Search engines
d. Email addresses

LO: 1
AC: 1.2
Correct answer: C
Q13. Select the correct option from the drop down box.

The two main stages of the procurement cycle are

- sourcing and purchasing
- purchasing and invoicing
- sourcing and contracting
- management and contracting

LO: 2
AC: 2.3
Correct answer: sourcing and purchasing

Q14. Drag and drop the correct option into the blank space.

 is a model associated with continuous improvement.

- Mendelow
- Kanban
- Kaizen
- Kraljic

LO: 3
AC: 3.3
Correct answer: Kaizen

Q15. A variance where a budget has been exceeded is called ...

- a. an optimisation
- b. an overspend
- c. an obsolescence
- d. an overload

LO: 1
AC: 1.1
Correct answer: B
Q16. Which ISO accreditation relates to quality?

   a. ISO 14001
   b. ISO 9001
   c. ISO 13485
   d. ISO 21067

LO: 3  
AC: 3.1  
Correct answer: B

Q17. Which quality management theory focuses on the elimination of waste from a process?

   a. Six Sigma  
   b. Lean  
   c. Kaizen  
   d. Agile

LO: 3  
AC: 3.3  
Correct answer: B

Q18. The continuous improvement cycle includes which four actions?

   a. Identify, plan, execute, review  
   b. Identify, purchase, examine, replace  
   c. Inspect, plan, explore, renew  
   d. Inspect, purchase, execute, relay

LO: 3  
AC: 3.3  
Correct answer: A
Q19. Select the correct option from the drop down box.

A [ ] is a quality management tool that can be used to understand how a process has changed over time.

Control chart
Search engine
Database
Supplier audit

LO: 3
AC: 3.3
Correct answer: Control chart

Q20. What is an online tool used to allow potential suppliers to submit bids online and in real time?

a. E-procurement
b. E-auction
c. E-invoice
d. E-catalogue

LO: 2
AC: 2.1
Correct answer: B