

CIPS L4M8

Procurement and Supply in Practice



For More Information – Visit link below:

<https://www.examsboost.com/>

Product Version

- ✓ **Up to Date products, reliable and verified.**
- ✓ **Questions and Answers in PDF Format.**

Latest Version: 6.2

Question: 1

SIMULATION

Which sector most frequently uses invitation to tender?

A. See the answer in explanation.

Answer: A

Explanation:

The public sector uses tenders a lot more in the working environment than private sector.

Question: 2

SIMULATION

What two areas of an organization do the Kraljic Portfolio matrix uses to establish the category of a product or service?

A. See the answer in explanation.

Answer: A

Explanation:

The Kraljic Portfolio Matrix shows where a product or services fits into in an organization. It is based on two areas 1) the risk of supply (Risk Impact). 2) Effect it has on profit (cost impact).

Question: 3

SIMULATION

Create a list of tangible, intangible, direct and indirect needs within an organization with which you are familiar.

A. See the answer in explanation.

Answer: A

Explanation:

Tangible costs are the cost an organization incur acquiring items that can be physically touched and or seen. Examples includes; 1) Capital Purchase 2) Raw materials 3) Sundry items 4) Vehicles/transport 5) Utilities

Intangible costs are the cost an organization incurs acquiring something that cannot be physically seen or touched. Examples include; 1) Insurance 2) Marketing 3) Research and development 4) Salaries and/pension 5) Services 6) Training.

Direct costs – These are costs that an organization incurs acquiring product and services directly attributable/traceable to its production, for example, the cost of labour and materials directly uses to produce the goods/services which the organization sells. In the case of buying and running a Lorry for transport fleet, this would be 1) total cost of acquiring the lorry,) Tooling 3) Operation.

Indirect cost - These are costs that are not directly associated to production, for example, materials and services not used in production, labour/ staff cost not directly attributed to production, such as management, sales and marking, ICT support, rents. In the case of buying and running a Lorry for transport fleet. Examples are; 1) Insurance 2) Disposal.

•

Go back to the question column and study the Questions and response

Question: 4

SIMULATION

Create a list of tangible, intangible, direct and indirect needs within an organization with which you are familiar.

A. See the answer in explanation.

Answer: A

Explanation:

Tangible costs are the cost an organization incur acquiring items that can be physically touched and or seen. Examples includes; 1) Capital Purchase 2) Raw materials 3) Sundry items 4) Vehicles/transport 5) Utilities

Intangible costs are the cost an organization incurs acquiring something that cannot be physically seen or touched. Examples include; 1) Insurance 2) Marketing 3) Research and development 4) Salaries and/pension 5) Services 6) Training.

Direct costs – These are costs that an organization incurs acquiring product and services directly attributable/traceable to its production, for example, the cost of labour and materials directly uses to produce the goods/services which the organization sells. In the case of buying and running a Lorry for transport fleet, this would be 1) total cost of acquiring the lorry,) Tooling 3) Operation.

Indirect cost - These are costs that are not directly associated to production, for example, materials and services not used in production, labour/ staff cost not directly attributed to production, such as management, sales and marking, ICT support, rents. In the case of buying and running a Lorry for transport fleet. Examples are; 1) Insurance 2) Disposal.

Question: 5

SIMULATION

What information should be included on a purchase requisition?

A. See the answer in explanation.

Answer: A

Explanation:

RESPONSE

A purchase requisition should contain the following information

- 1) Date of the requisition
- 2) Description of what is required
- 3) Supplier if known
- 4) The quantity
- 5) when the need is required
- 6) why the need is required
- 7) who identified the need
- 8) who approved the need
- 9) if it's a re-buy

Thank You for Trying Our Product

For More Information – **Visit link below:**

<https://www.examsboost.com/>

15 USD Discount Coupon Code:

G74JA8UF

FEATURES

- ✓ **90 Days Free Updates**
- ✓ **Money Back Pass Guarantee**
- ✓ **Instant Download or Email Attachment**
- ✓ **24/7 Live Chat Support**
- ✓ **PDF file could be used at any Platform**
- ✓ **50,000 Happy Customer**



Visit us at: <https://www.examsboost.com/test/14m8>