

Hot CIPS L4M2 Spot Questions | New L4M2 Study Guide

CIPS L4M2 Exam Questions

Question: 1

The position of a product in its life cycle can affect the price that suppliers set. Is this statement correct?
- correct answer A. No, in market economy, the state decides the price of all goods and services
B. Yes, each stage in product life cycle requires different levels of investment in promotion and distribution
C. No, customer's perception of value is the ultimate determinant of the suppliers' price
D. Yes, it is always the only factor determining the price

Question: 2

A CPO is making a business case for acquiring a new computer system. He has set out objective, generated options, cost and benefit of each option and implementation plan. Which of the following elements should be included in the business case? - correct answer A. Risk assessment
B. Operation management
C. Invitation to tender
D. Contract management

Question: 3

What is the document that defines the activities, deliverables and timelines a supplier must carry out during contract performance? - correct answer A. Statement of work
B. Project initial document
C. Framework agreement
D. Work instruction

Question: 4

A procurement manager is writing a conformance specification for a non-core component. She thinks that if the requirements in specification are higher than ISO standards, her company can achieve greater cost-savings. Is the procurement manager's opinion correct? - correct answer A. No, because higher specification may incur additional costs for the buyer

BTW, DOWNLOAD part of RealVCE L4M2 dumps from Cloud Storage: <https://drive.google.com/open?id=1eS7btAEKLSvMAQCtciS7msM2ChNtKh>

We talked with a lot of users about L4M2 practice engine, so we are very clear what you want. You know that the users of L4M2 training materials come from all over the world. The quality of our products is of course in line with the standards of various countries. You will find that the update of L4M2 learning quiz is very fast. You don't have to buy all sorts of information in order to learn more. L4M2 training materials can meet all your needs. What are you waiting for?

We talked with a lot of users about our L4M2 practice engine, so we are very clear what you want. For the needs of users, our L4M2 exam braindumps are constantly improving. You know that the users of our L4M2 training materials come from all over the world. And our L4M2 Exam Questions are easy to be understood. For our professional experts have simplified the content and language of the L4M2 preparation quiz, so it is global.

>> Hot CIPS L4M2 Spot Questions <<

New L4M2 Study Guide & Reliable L4M2 Exam Questions

Our company is widely acclaimed in the industry, and our L4M2 learning dumps have won the favor of many customers by virtue of their high quality. Started when the user needs to pass the qualification test, choose the L4M2 real questions, they will not have any second or even third backup options, because they will be the first choice of our practice exam materials. Our L4M2 practice guide is devoted to research on which methods are used to enable users to pass the test faster. Therefore, through our unremitting efforts, our L4M2 Real Questions have a pass rate of 98% to 100%. Therefore, our company is worthy of the trust and support of the masses of users, our L4M2 learning dumps are not only to win the company's interests, especially in order to help the students in the shortest possible time to obtain qualification certificates.

CIPS Defining Business Needs Sample Questions (Q30-Q35):

NEW QUESTION # 30

Which of the following is a risk to buying organization when using conformance specification?

- A. Time to produce specification is shortened
- B. Buyer may face liquidity risks
- C. Buyer cannot control the inputs
- D. Buyer is responsible for product failure

Answer: D

Explanation:

When using conformance specification, the buying organisation is responsible for the performance of the purchase. If the product fails due to poorly designed specification, the buyer is wholly responsible for it. It cannot blame the supplier for the failure because they still provided 'fit for purpose' product.

'Time to produce specification is shortened': Conformance specification requires details on dimension, materials, design, etc. With such requirements, time to produce a complete conformance specification is often longer than producing performance specification. 'Buyer cannot control the inputs': Conformance specification is a list of inputs from buyer, so buyer has control over the inputs that will make the product. It also means that buyer is responsible for any product failure.

'Buyer may face liquidity risks': Liquidity means that how quick a business turns its assets into cash. This is a financial term, it does not link directly with specification failure.

Reference: CIPS study guide page 118-119

LO 3, AC 3.1

NEW QUESTION # 31

A garment manufacturer supplies global retailers with t-shirts, shirts, and linen trousers. Because of currency fluctuations, the manufacturer is aware that they must control their direct costs in order to ensure profits. Which of the following is a direct cost for the garment manufacturer?

- A. Cotton fabric
- B. Utilities cost
- C. Facilities rent
- D. Office staff payroll

Answer: A

Explanation:

Detailed Explanation:

Cotton fabric is a direct cost because it is directly attributable to the production of the garments. Costs like rent, utilities, and payroll are indirect costs associated with running the business. Reference: CIPS Level 4, Cost Categorization in Procurement.

NEW QUESTION # 32

To strengthen its market presence, ABC Group decided to develop a new product. A cross-functional team was formed to discuss the scope and the functions of the product. They will also survey the potential customers to see what they like, what they love, and what they dislike. What is this process called?

- A. Value analysis
- B. Product standardisation
- C. Cash flow analysis
- D. Value engineering

Answer: D

Explanation:

As you can see from the scenario, ABC Group is developing the new product. It might be using value engineering. The latter sentences confirm this: the cross-functional team in ABC is mapping the functions and surveying the customers. Their method is known as Kano model.

NEW QUESTION # 33

What are the main purposes of a cash flow budget?

1. It is a time-phased income and expenditure budget
2. It projects the future cash position of an organisation
3. It is a statement of a company's financial position

- A. 1 and 2 only
- B. 3 and 4 only
- **C. It indicates organisational profitability**
- D. 1 and 4 only
- E. 2 and 3 only

Answer: C

NEW QUESTION # 34

Which of the following can cause overhead variance? Select TWO that apply:

- **A. Decrease in production volume**
- B. Spike in material price
- **C. Spike in monthly leasing fee**
- D. Rising production worker's wage rate per hour
- E. Decreasing packaging costs

Answer: A,C

Explanation:

Overhead variances arise when the actual overhead costs incurred differ from the expected amounts. Managers want to understand the reasons for these differences, and so should consider computing one or more of the overhead variances described below. Each of these variances applies to a different aspect of overhead expenditures. It is not necessary to calculate these variances when a manager cannot influence their outcome.

Fixed Overhead Spending Variance

The fixed overhead spending variance is the difference between the actual fixed overhead expense incurred and the budgeted fixed overhead expense. An unfavorable variance means that actual fixed overhead expenses were greater than anticipated. The formula for this variance is:

Actual fixed overhead - Budgeted fixed overhead = Fixed overhead spending variance The amount of expense related to fixed overhead should (as the name implies) be relatively fixed, and so the fixed overhead spending variance should not theoretically vary much from the budget.

Fixed Overhead Volume Variance

The fixed overhead volume variance is the difference between the amount of fixed overhead actually applied to produced goods based on production volume, and the amount that was budgeted to be applied to produced goods. For example, a company budgets for the allocation of \$25,000 of fixed overhead costs to produced goods at the rate of \$50 per unit produced, with the expectation that 500 units will be produced. However, the actual number of units produced is 600, so a total of \$30,000 of fixed overhead costs are allocated. This creates a fixed overhead volume variance of \$5,000.

Variable Overhead Efficiency Variance

The variable overhead efficiency variance is the difference between the actual and budgeted hours worked, which are then applied to the standard variable overhead rate per hour. The formula is:

Standard overhead rate x (Actual hours - Standard hours)

= Variable overhead efficiency variance

A favorable variance means that the actual hours worked were less than the budgeted hours, resulting in the application of the standard overhead rate across fewer hours, resulting in less expense being incurred. However, a favorable variance does not necessarily mean that a company has incurred less actual overhead, it simply means that there was an improvement in the allocation base what was used to apply overhead.

Variable Overhead Spending Variance

The variable overhead spending variance is the difference between the actual and budgeted rates of spending on variable overhead.

The variance is used to focus attention on those overhead costs that vary from expectations. The formula is:

Actual hours worked x (Actual overhead rate - standard overhead rate)

= Variable overhead spending variance

A favorable variance means that the actual variable overhead expenses incurred per labor hour were less than expected.

In the study guide, CIPS splits overhead variance into volume and expenditure variance. They can be understood as variable and fixed overhead variance respectively.

Reference:

- CIPS study guide page 59
- What are overhead variances? - AccountingTools

LO 1, AC 1.4

NEW QUESTION # 35

.....

While buying L4M2 training materials online, you may pay more attention to money safety. If you choose L4M2 learning materials of us, we can ensure you that your money and account safety can be guaranteed. Since we have professional technicians check the website every day, therefore the safety can be guaranteed. In addition, L4M2 Training Materials of us are high quality, they contain both questions and answers, and it's convenient for you to check answers after practicing. We have online chat service stuff, if you have any questions about L4M2 learning materials, you can have a conversion with us.

New L4M2 Study Guide: https://www.realvce.com/L4M2_free-dumps.html

You will be required to scan a copy of your failed exam CIPS CIPS Level 4 Diploma in Procurement and Supply L4M2 and mail it to us so you are provided access to another certification test immediately, Since our New L4M2 Study Guide - Defining Business Needs exam study guide is electronic products, we can complete the process of trading only through the internet, which will definitely save a lot of time for you, CIPS Hot L4M2 Spot Questions We have one year service warranty that we will serve for you until you pass.

You must have felt the changes in the labor market, Finally, please L4M2 Exam Simulator Online note that I am supplying some of the source code for the Visual Basic and Java examples that I created for this article.

Pass Guaranteed CIPS - L4M2 - Defining Business Needs –Professional Hot Spot Questions

You will be required to scan a copy of your failed exam CIPS CIPS Level 4 Diploma in Procurement and Supply L4M2 and mail it to us so you are provided access to another certification test immediately.

Since our Defining Business Needs exam study guide is electronic products, L4M2 we can complete the process of trading only through the internet, which will definitely save a lot of time for you.

We have one year service warranty that we will serve for you until you pass, After constantly improving and updating L4M2 test torrent, its contents and effectiveness have been improved.

We have seen that candidates who study with outdated L4M2 practice material don't get success and lose their resources.

- Reliable L4M2 Exam Pattern □ L4M2 Test Collection □ New L4M2 Braindumps Free □ Search for (L4M2) on 《 www.testkingpass.com 》 immediately to obtain a free download □ Valid L4M2 Exam Tips
- High Hit Rate Hot L4M2 Spot Questions – Find Shortcut to Pass L4M2 Exam □ Download □ L4M2 □ for free by simply searching on ➡ www.pdfvce.com □ □ Reliable L4M2 Exam Pattern
- New L4M2 Test Cram □ Valid L4M2 Exam Tips □ Latest L4M2 Dumps Ppt □ Easily obtain free download of ➡ L4M2 □ by searching on □ www.testkingpass.com □ □ Vce L4M2 Files
- Pass L4M2 Guide ➡ New L4M2 Test Cram □ Valid L4M2 Exam Tips □ Easily obtain ✓ L4M2 □ ✓ □ for free download through ➡ www.pdfvce.com □ □ Valid L4M2 Learning Materials
- CIPS - L4M2 - Defining Business Needs Useful Hot Spot Questions □ Simply search for ➡ L4M2 □ for free download on □ www.vce4dumps.com □ □ Latest L4M2 Dumps Ppt
- Quiz 2026 Unparalleled Hot L4M2 Spot Questions - New Defining Business Needs Study Guide □ Simply search for ➡ L4M2 □ for free download on □ www.pdfvce.com □ □ New L4M2 Dumps
- New L4M2 Test Cram □ New L4M2 Exam Book □ Reliable L4M2 Source □ Open ➤ www.prepawayexam.com □ and search for “ L4M2 ” to download exam materials for free □ L4M2 Valid Test Syllabus
- High Pass-Rate Hot L4M2 Spot Questions and Reliable New L4M2 Study Guide - Excellent Reliable Defining Business Needs Exam Questions □ Search for ➡ L4M2 □ and download it for free immediately on ✓ www.pdfvce.com □ ✓ □ □ New L4M2 Test Cram
- L4M2 Test Collection □ New L4M2 Test Cram □ L4M2 Latest Real Test □ Search on ✨ www.vceengine.com □ ✨ □ for ➡ L4M2 □ to obtain exam materials for free download □ Pass L4M2 Guide

BONUS!!! Download part of RealVCE L4M2 dumps for free: <https://drive.google.com/open?id=1eS7btAEKLSvvMAQCtcioS7msM2ChNtKh>