

CIPS L5M6 Desktop-Based Practice Program



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There are more and more people to try their best to pass the L5M6 exam, including many college students, a lot of workers, and even many housewives and so on. These people who want to pass the L5M6 exam have regard the exam as the only one chance to improve themselves and make enormous progress. So they hope that they can be devoting all of their time to preparing for the L5M6 Exam, but it is very obvious that a lot of people have not enough time to prepare for the important L5M6 exam. Our L5M6 exam questions can help you pass the L5M6 exam with least time and energy.

CIPS L5M6 Exam Syllabus Topics:

Topic	Details
Topic 1	<ul style="list-style-type: none"> Understand Approaches that Can Be Used to Develop Category Management Strategies: This section of the exam measures the skills of Procurement Managers and focuses on understanding how category management strategies are formulated within procurement functions. Candidates are expected to differentiate between strategic and conventional sourcing, evaluate how these approaches support long-term supplier relationships, and align them with organizational goals. The section also emphasizes the role of category management in enhancing sourcing efficiency and achieving cost optimization.
Topic 2	<ul style="list-style-type: none"> Understand the Strategic Impact of a Category Management Process: This section evaluates the strategic insight of a Procurement Manager into how category management influences organizational performance. It explores the use of data-driven decision-making and market intelligence to shape sourcing strategies and drive sustainable procurement outcomes.
Topic 3	<ul style="list-style-type: none"> Understand the Concepts, Tools, and Techniques Associated with Managing Expenditure: This section of the exam measures the analytical abilities of a Category Analyst and focuses on expenditure management techniques within category management. It explores how organizations identify, classify, and analyze different types of spend to enhance procurement efficiency and value creation.

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For some difficult points of the L5M6 exam questions which you may feel hard to understand or easy to confuse for too similar with the others. In order to help you memorize the L5M6 guide materials better, we have detailed explanations of the difficult questions such as illustration, charts and referring website. Every year some knowledge of the L5M6 Practice Braindumps is reoccurring over and over. You must ensure that you master them completely.

CIPS Category Management Sample Questions (Q74-Q79):

NEW QUESTION # 74

ABC Ltd is a manufacturer of hi-tech IT equipment and is operating in an industry set to grow substantially over the next 10 years. What type of industry could this be described as?

- A. Dog industry
- **B. Bull industry**
- C. Cow industry
- D. Bear industry

Answer: B

Explanation:

A bull industry is one that is experiencing sustained growth, driven by technological innovation, consumer demand, or favourable market conditions. The opposite is a bear industry, which is in decline. The terms are borrowed from stock market language but are also used in category management to describe the overall trajectory of an industry. For ABC Ltd, operating in a bull industry means it must prepare for higher demand, increased competition, and potential supplier shortages. This requires a proactive category strategy that focuses on securing long-term supplier relationships, investing in innovation, and managing risks associated with rapid growth. Recognising industry cycles ensures that procurement strategies are forward-looking and aligned with long-term organisational objectives. Misclassifying an industry's trajectory could lead to missed investment opportunities or poor resource allocation.

Reference: CIPS L5M6 Study Guide, p.150

NEW QUESTION # 75

Claudio wants to limit risks from supplier financial instability. Which two actions are most effective?

- **A. Have contingency plans in place**
- B. Use fewer suppliers
- C. Contract smaller businesses and start-ups
- **D. Limit spend with one supplier to 30% of external spend**

Answer: A,D

Explanation:

The most effective approaches are:

* Limiting dependence on one supplier [B]: CIPS suggests no more than 30% of spend should be concentrated with a single supplier. This reduces exposure if that supplier becomes insolvent or fails to deliver.

* Having contingency plans [D]: Preparing alternative suppliers, safety stock, or emergency logistics ensures continuity in case of failure.

Options A and C are poor practices:

* Using fewer suppliers [A]: Increases dependency, making the business more vulnerable.

* Using small start-ups exclusively [C]: Increases risk because these firms often lack financial stability.

These strategies align with broader supply risk management principles, which focus on diversification, resilience, and proactive planning. Effective category managers must balance efficiency with risk reduction, ensuring supply continuity without over-consolidating.

[Ref: CIPS L5M6 Study Guide, p.57 - Supplier risk mitigation strategies]

NEW QUESTION # 76

"Survival of the fittest" is a concept in supplier relationships. Which of the following does it describe?

- A. High focus on pricing, high focus on relationships
- **B. High focus on pricing, low focus on relationships**
- C. Low focus on pricing, low focus on relationships
- D. Low focus on pricing, high focus on relationships

Answer: B

Explanation:

Survival of the fittest in supplier management means driving competition by focusing heavily on price reduction, with minimal emphasis on building long-term relationships. This approach treats suppliers as interchangeable, encouraging them to compete aggressively for contracts.

It can yield short-term cost savings but risks damaging supplier collaboration, innovation, and resilience. It is suitable for commodities or non-strategic items where price is the dominant factor.

Other approaches differ:

* Trust-based or partnership models balance price with collaboration.

* No-cost modelling focuses on process transparency.

* Strategic alliances prioritise innovation and value creation.

Category Managers must carefully choose when to apply "survival of the fittest" as it may undermine long-term supplier stability if used indiscriminately.

[Ref: CIPS L5M6 Study Guide, p.160 - Supplier relationship models]

NEW QUESTION # 77

In Category Management, which of the following Models can be used for creating a step-by-step plan for Strategic Sourcing?

- A. The Pareto Principle
- **B. Kearney's 7 Step Model**
- C. Porter's 5 Forces
- D. Kraljic Matrix

Answer: B

Explanation:

Kearney's 7 Step Strategic Sourcing Model provides a structured, step-by-step approach for managing sourcing activities. The steps include profiling the category, assessing the supply market, developing sourcing strategies, and implementing them. This model ensures that sourcing is systematic, evidence-based, and aligned with strategic objectives. Unlike tools such as the Kraljic Matrix, which classifies items by risk and impact, Kearney's model provides an end-to-end process framework for sourcing execution.

Similarly, Pareto and Porter's 5 Forces are useful analytical tools but not procedural sourcing frameworks. For category managers, the Kearney Model is valuable because it emphasises cross-functional collaboration, data-driven decision-making, and continuous improvement. Its structured approach reduces risks of ad-hoc decision-making and ensures alignment with organisational goals.

This is why it is a central feature of L5M6 study material and often tested in exams.

Reference: CIPS L5M6 Study Guide, p.28-29

NEW QUESTION # 78

Why would a company use a Technology Roadmap?

- A. To assist in marking a tender for IT equipment
- B. To decide between two different software providers
- **C. To help decide which technology to invest in the future**
- D. To mitigate risks of cyber-attacks

Answer: C

Explanation:

A Technology Roadmap is a planning tool used to align technological investments with business strategy. It enables organisations to evaluate current capabilities, identify emerging challenges, and plan for future technology adoption. The purpose is not just to decide between existing options but to forecast which innovations will be most valuable over time.

