

# Prepare For CIPS L4M1 Certification Exam

## CIPS L4M1 Mock Exam Questions

**Exam Name:** Scope and Influence of Procurement and Supply

**Exam Code:** L4M1

**Related Certification(s):** CIPS Level 4 Diploma in Procurement and Supply Certification  
Certification Provider: CIPS

**Expected L4M1 Exam Topics, as suggested by CIPS :**

**Topic 1:** Understand and analyse the added value through procurement and supply chain management. This section of the exam measures skills of supply chain managers related to identifying added value outcomes in procurement and supply and evaluating cost savings, service improvements, and innovations contributions. It also measures procurement and supply processes that contribute to added value.

**Topic 2:** Understand and analyse the key steps when procuring goods or services. This section measures that skills of purchasing managers and procurement officers in identifying and evaluating stages in the sourcing process, planning, supplier selection, and contract management.

**Topic 3:** Understand and analyse aspects of organisational infrastructure that shape the scope of procurement and supply chain functions. This section measures that skill of supply chain strategists and organizational analysts in understanding corporate governance, documented policies, accountability, and ethics. It also covers the impact of organisational policies and procedures on procurement and supply Procedures, strategies, manuals, and internal function involvement.

**Topic 4:** Understand and analyse the need for compliance: This section measures skills of compliance officers and sector-specific procurement managers in understanding different economic and industrial sectors such as Public, private, charity, not-for-profit, manufacturing, retail, construction, financial, agriculture, and service sectors. It also covers analyzing the impact of the public sector on procurement and supply chain activities public sector objectives, regulations, competition, accountability, and value for money. It finally covers the impact of the private sector on procurement or supply chain activities.

BTW, DOWNLOAD part of TestsDumps L4M1 dumps from Cloud Storage: [https://drive.google.com/open?id=1h6SEIpnal\\_fGq9b2W71\\_bLAWaPQbp69C](https://drive.google.com/open?id=1h6SEIpnal_fGq9b2W71_bLAWaPQbp69C)

I can assure you that we will provide considerate on line after sale service about our L4M1 exam questions for you in twenty four hours a day, seven days a week. Therefore, after buying our L4M1 study guide, if you have any questions about our L4M1 Learning Materials, please just feel free to contact with our online after sale service staffs. They will give you the most professional advice for they know better on our L4M1 training quiz.

## CIPS L4M1 Exam Syllabus Topics:

Topic	Details
Topic 1	<ul style="list-style-type: none"><li>Public, private, charity, not-for-profit, manufacturing, retail, construction, financial, agriculture, and service sectors. It also covers analyzing the impact of the public sector on procurement and supply chain activities public sector objectives, regulations, competition, accountability, and value for money. It finally covers the impact of the private sector on procurement or supply chain activities.</li></ul>
Topic 2	<ul style="list-style-type: none"><li>Understand and analyse the need for compliance: This section measures skills of compliance officers and sector-specific procurement managers in understanding different economic and industrial sectors such as</li></ul>
Topic 3	<ul style="list-style-type: none"><li>Procedures, strategies, manuals, and internal function involvement.</li></ul>

Topic 4	<ul style="list-style-type: none"> <li>Understand and analyse aspects of organisational infrastructure that shape the scope of procurement and supply chain functions: This section measures that skill of supply chain strategists and organizational analysts in understanding corporate governance, documented policies, accountability, and ethics. It also covers the impact of organisational policies and procedures on procurement and supply</li> </ul>
Topic 5	<ul style="list-style-type: none"> <li>Understand and analyse the key steps when procuring goods or services: This section measures that skills of purchasing managers and procurement officers in identifying and evaluating stages in the sourcing process, planning, supplier selection, and contract management.</li> </ul>

>> **L4M1 Technical Training** <<

## **Latest L4M1 Exam Book, L4M1 Pdf Pass Leader**

With the high pass rate as 98% to 100%, we are confident to claim that our high quality and high efficiency of our L4M1 exam guide is unparalleled in the market. We provide the latest and exact L4M1 practice quiz to our customers and you will be grateful if you choose our L4M1 Study Materials and gain what you are expecting in the shortest time. Besides, you have the chance to experience the real exam in advance with the Software version of our L4M1 practice materials.

## **CIPS Scope and Influence of Procurement and Supply Sample Questions (Q17-Q22):**

### **NEW QUESTION # 17**

Describe the key drivers for organisations who operate in the public, private and third sector (25 marks)

#### **Answer:**

Explanation:

See the solution in Explanation part below.

Explanation:

- There's 2 main approaches to layout you could take for this question. Firstly, divide your essay into three sections for the public, private and third sectors and talk about the key drivers for each sector separately.

Alternatively, you could select a couple of drivers and form paragraphs around them, explaining in each paragraph whether the driver is strong or weak or even applicable for the different sectors.

- Drivers you could talk about include attitudes towards money, survival in the industry, differentiation, need for transparency, resources available, stakeholders, regulatory compliance

- Your answer should say why these are drivers in each of the industries, whether these drivers are strong or weak and why.

Example essay:

Organizations across the public, private, and third sectors operate within different paradigms, driven by distinct motivations and constraints. Understanding these key drivers is essential for comprehending how these organizations function and achieve their objectives. This essay explores the fundamental drivers of organizations in each of these sectors, focusing on attitudes towards money, survival, differentiation, need for transparency, resource allocation, and stakeholder management.

Attitudes Towards Money:

The approach to profit significantly differentiates the sectors. In the private sector, profit is a primary driver, essential for survival and rewarding shareholders. Conversely, the public sector is not profit-driven; its primary aim is to provide essential services to society, regardless of financial gain. The third sector, often termed 'not-for-profit', also requires profit generation, but uniquely, all profits are reinvested into the organization to further its aims, rather than being distributed as shareholder dividends. The Public-Sector needs to 'balance the books' but it is not a profit-generating area of the economy. The priority around money is ensuring that taxpayer money is well spend and that procurement activities represent value for money.

Survival in the Industry:

Survival strategies vary across sectors. Private and third sector organizations must focus keenly on survival, necessitating efficiency and sound business processes. The public sector, by contrast, can continue operating even when inefficient or running at a deficit, as seen in cases like local councils operating with budget shortfalls. This difference underscores a greater urgency for efficient management in the private and third sectors.

Differentiation:

Differentiation is a key driver in the private sector due to competition. Private entities often strive to distinguish their goods or services to gain a competitive edge, either through cost competitiveness or unique offerings. However, differentiation is less of a driver in the public and third sectors, where organizations are often sole providers of certain services or focus on specific social

causes without direct competition.

**Need for Transparency and Regulatory Compliance:**

Transparency and adherence to regulations are paramount in the public and third (not-for-profit) sectors. These sectors are highly regulated, with public organizations adhering to regulations like the Public Contract Regulations 2015 and third sector organizations following guidelines set by bodies like the Charities Commission. The public's right to information through mechanisms like Freedom of Information requests further underscores this need for transparency. In contrast, the private sector faces less pressure for transparency, though it is not entirely exempt from regulatory compliance.

**Resource Availability:**

The availability and management of resources are different across sectors. Public and third sector organizations often operate with limited funds, making value for money a critical driver. They must achieve their objectives within these financial constraints. In contrast, the private sector generally has greater flexibility in resource acquisition, able to raise funds through loans or share sales, providing them with a broader scope for investment and expansion.

**Stakeholder Management:**

Stakeholder dynamics vary significantly among sectors. Public and third sector organizations often have a wide range of stakeholders, though these stakeholders may not wield significant power. Conversely, stakeholders in private organizations, like employees, can exert considerable influence, as seen in cases where employees might strike for better working conditions. Therefore, managing and satisfying stakeholders can be a more pressing concern in the private sector compared to the public sector, where actions like strikes can be legally restricted.

**Conclusion:**

In summary, organizations in the public, private, and third sectors are driven by different motivations and constraints. While profit is a major driver in the private and third sectors, it serves different purposes in each.

Survival strategies, the need for differentiation, transparency requirements, resource management, and stakeholder relations all vary significantly across these sectors, reflecting the distinct roles and responsibilities they hold in society. Understanding these key drivers is crucial for anyone looking to navigate or interact with these diverse organizational landscapes effectively.

**Tutor Notes:**

- If you're asked about different sectors of the economy it can be difficult to know what to talk about. An easy way to remember topics you can discuss in your essay is the acronym CAROLS which stands for:

Competition, Activity, Responsibilities, Objectives, Legal Restrictions and Stakeholders. This acronym may generate some ideas of things you can discuss in your essay.

- This question takes some content from different Learning Outcomes throughout L4. Charities are discussed separately from Public and Private Sectors in LO 4.4 p.230.

## **NEW QUESTION # 18**

Explain, with examples, the advantages of a Procurement Department using electronic systems (25 marks)

**Answer:**

**Explanation:**

See the solution in Explanation part below.

**Explanation:**

- Mention of some of the following benefits with at least one example provided against each; cost savings, time savings, more efficient, higher levels of transparency, easier to access historical records to inform upon decision making, mitigates risks such as fraudulent spending, easier to track spend against budgets, ensures compliance with regulations, provides 'real-time' information, paperless communications (so more environmentally friendly), assists in Supply Chain Management and integration with supply partners.

- I'd suggest 5 is a good amount to aim for

**Example Essay**

Procurement stands to gain numerous benefits from the adoption of electronic systems. These electronic tools and systems bring efficiency, accuracy, transparency, and cost-effectiveness to the procurement process. Here are several compelling reasons why procurement should leverage electronic systems:

**Cost savings** - the use of electronic tools saves organisations money. Although there is an initial cost outlay, over time the systems will save the organisation money. For example the use of e-procurement tools can save money by accessing a wider pool of suppliers. For example, when using an e-sourcing portal, a tender may reach a larger number of suppliers- this makes the tender more competitive thus driving down prices.

Compared to traditional methods such as phoning suppliers for prices, the use of electronic portals encourages suppliers to 'sharpen their pencils' and provide the best prices in order to win work. Money is also saved as communication is digital (so there is no costs for paper and postage).

**Time savings** - electronic tools automate a lot of processes which saves time. An example of this is e-requisitioning tools where orders can be placed automatically by a piece of technology when quantities of a material reach a certain level. For example, in a cake manufacturing organisation they may use an MRP system which calculates how many eggs are required per day. The machine

knows that when the company only have 50 eggs left, a new order needs to be issued to the supplier. The MRP system (e-requisitioning system) therefore saves time as the Procurement department doesn't have to manually pick up the phone to place the order with the supplier- it is done automatically.

Access to higher levels of information - e-Procurement gives you centralised access to all your data. You can access the system to look at historical purchases with ease compared to having to dig through folders and filing cabinets. For example, an electronic PO system will hold details of all historical POs, this means if someone has a question about a PO that was raised 4 months ago, finding the information is much easier and quicker. Some systems may also be able to provide analytical data such as changes to spend over time, or which suppliers a buyer spends the most money with. This higher level of information can help inform upon future decision making. For example, if the organisation wishes to consolidate its supplier base it would look through historical data provided by the electronic system to find out which suppliers are used the least and remove these from the 'pre-approved supplier list'. This level of data might not be available in manual systems.

Better budget tracking - using electronic systems allows for real-time information to be collected which allows Procurement Managers to see where spend is compared to forecasts and budgets. An example of this is in the use of Pre-Payment Cards - rather than giving staff members petty cash to make transactions and having to chase this up and collect receipts and change, a pre-payment card usually comes with an online portal where a manager can see what has been purchased and the remaining budget on that card for the month. A manager may be able to see for example that a member of staff has spend £300 of their allotted £500 monthly allowance.

Higher levels of transparency and control - using E-procurement tools allows an organisation to track who is ordering what. For example, an e-requisitioning tool may allow Procurement Assistants to make purchases up to £500 but set an automatic escalation if they try to buy something of higher value. This allows for Management to have greater levels of visibility and more control over spending. Another example of transparency and control is in the use of e-sourcing tools to run a competitive tender exercise. All communication between the buyer and suppliers is tracked on the system and award letters can be sent via the system too. This reduces the risk of information being lost.

Environmental benefits- the use of e-procurement tools means that there is less paperwork involved. For example, rather than creating a physical PO which needs to be signed by a manager, an electronic system can allow a manager to sign-off the purchase by clicking a button. This means there is no requirement for the document to be printed. This saves paper and thus has a positive on the environment. Using electronic systems may help an organisation achieve their environmental targets.

In conclusion there are numerous benefits for procurement to adopt e-procurement tools. Depending on the sector and requirements of each individualised company, some advantages may be more pertinent than others, but it is undeniable that technology is helping to shape the industry into a value adding function of organisations.

Tutor Notes

- With an essay like this you could use subheadings and number the advantages if you like. It's a good idea to do one advantage per paragraph and using formatting really helps the examiner to read your essay.

- study guide p.108

## NEW QUESTION # 19

Bob is a procurement manager at ABC Ltd. He has been asked to ensure all future purchases achieve 'value for money' for the organisation. What is meant by 'value for money'? (5 points). Describe 4 techniques that Bob could use to achieve this (20 points)

**Answer:**

Explanation:

See the solution in Explanation part below.

Explanation:

1) A definition of Value for Money: ensuring a purchase is cost effective. This may be that the purchase achieves the 5 Rights of Procurement or that the purchase achieves the 4Es: Economy, Efficiency, Effectiveness and Equity. - this is only worth 5 points, so don't spend too long on this

2) 4 techniques Bob can use to achieve VFM: this is the bulk of your essay. Each of the 4 will be worth 5 points, so remember to give a thorough explanation and example. Pick 4 from the list below: complete a value analysis to eliminate non-essential features, minimise variety/ consolidate demand, avoid over specification, pro-active sourcing, whole life costing methodologies, eliminate / reduce inventory, use electronic systems, international sourcing, sustainability / environmental policies, currency/ exchange rate considerations, negotiating good payment terms, packaging, warranties.

Example Essay:

"Value for money" (VFM) is a concept that refers to obtaining the best possible return on investment or benefits relative to the cost incurred. It involves assessing whether the goods, services, or activities provided offer an optimal balance between their cost and the quality, benefits, or outcomes they deliver.

Value for money is not solely about choosing the cheapest option; instead, it considers the overall efficiency, effectiveness, and long-term value derived from an expenditure. For Bob, the Procurement Manager at ABC Ltd there are four key ways that he can

achieve this for all future purchases.

#### Value Engineering

This is looking at the components of a product and evaluating the value of each component individually.

You can then eliminate any components that do not add value to the end product. To do this Bob would choose a product to review and determine whether any parts of this can be omitted (thus saving the company money) or could be replaced by components that are of a higher quality at the same price (thus providing added value to the customer). For example, Bob could complete a Value Engineering exercise on the new mobile phone prototype ABC plan to release next year. His findings may discover a way to provide a higher quality camera at no additional cost or that some components don't add value and can be eliminated.

#### Consolidate demand

Bob can achieve value for money by consolidating demand at ABC Ltd. This would mean rather than each individual person/department ordering what they want when they need it, Bob creates a centralised process for ordering items in bulk for the departments to share. For example, if each department require stationary to be ordered, Bob can consolidate this demand and create one big order each quarter. This will likely result in cost savings for ABC as suppliers often offer discounts for large orders. Moreover, consolidating demand will allow for saving in time (one person does the task once, rather than lots of people doing the same task and duplicating work).

#### International sourcing

Bob may find there is value for money in changing suppliers and looking at international sourcing.

Often other countries outside of the UK can offer the same products at a lower cost. An example of this is manufactured goods from China. By looking at international supply chains, Bob may be able to make cost-savings for ABC. He should be sure that when using this technique there is no compromise on quality.

#### Whole Life Costing methodology

This is a technique Bob can use for procuring capital expenditure items for ABC. This involves looking at the costs of the item throughout its lifecycle and not just the initial purchase price. For example, if Bob needs to buy a new delivery truck he should consider not only the price of the truck, but also the costs of insurance for the truck, how expensive it is to buy replacement parts such as tyres and the cost of disposing of the truck once it reaches the end of its life. By considering these factors Bob will ensure that he buys the truck that represents the best value for money long term.

In conclusion Bob should ensure he uses these four techniques for all items he and his team procures in the future. This will ensure ABC Ltd are always achieving value for money, and thus remain competitive in the marketplace.

#### Tutor Notes

- This case study is really short, and the ones you'll receive in the exam are often longer and give you more guidance on what they're expecting you to write. With case study questions, you have to make your entire answer about Bob. So don't bring in examples from your own experience, rather, focus on giving examples for Bob.

- A good rule of thumb for case study questions is make sure you reference the case study once per paragraph.

- Value for Money is a really broad topic and you can pretty much argue anything that procurement does is helping to achieve value for money. There's a large table of stuff that's considered VFM on p.38 but that table isn't exhaustive. So feel free to come up with your own ideas for this type of essay.

Some additional tidbits of information on VFM:

- The 'academic' definition of Value for Money is 'the optimum combination of whole life cost and the quality necessary to meet the customer's requirement'

- Value for Money is an important strategic objective for most organisations but particularly in the public sector. This is because the public sector is financed by public money (taxes), so they must demonstrate that the organisation is using this money wisely. This might be an interesting fact to put into an essay on VFM.

- Value can often be hard to quantify, particularly in the service industry. E.g. in customer service it can be difficult to quantify the value of having knowledgeable and polite employees delivering the service.

## NEW QUESTION # 20

Explain 5 stages of the sourcing cycle that occur in the pre-contract stage (25 points)

### Answer:

Explanation:

See the solution in Explanation part below.

Explanation:

How to approach this question:

- The Sourcing Cycle is the first half of the CIPS Procurement Cycle and includes these steps:

- 1) Define Business Need
- 2) Market Analysis + Make vs Buy
- 3) Develop Strategy and Plan
- 4) Pre-Procurement Market Testing
- 5) Develop Documents and Specification

6) Supplier Selection

7) Issue Tender

8) Bid Evaluation

9) Contract Award and Implementation

Your response should detail 5 of these. It is a good idea to pick the ones you know most about and where there is more to write about. You won't get any extra points for naming more than 5 so focus on getting as much detail down about 5, rather than explaining more of them.

Essay Plan

Introduction - explain what the sourcing cycle is - the stages of the procurement cycle before a contract is signed. It describes the steps an organisation will take to source/ procure goods or services.

Paragraph 1 - Define the business need

How is the need identified? E.g. by end user, stores department, ERP system

Procurement should challenge this - is it really necessary? Suggest alternatives - this could be a key source of added value

Put together business case / requisition / project initiation document

What type of purchase? Straight rebuy, modified rebuy, new purchase

Decide on what type of specification would be best - Conformance vs performance specification

This stage may include early supplier involvement

Paragraph 2 - Market Analysis and Make vs Buy Decision

Create an Analysis by segmenting the market by buyer, product, distribution channel, geography, customer market etc.

Make vs Buy - use Carter's Matrix to decide whether the organisation should make vs buy.

Also consider outsourcing at this stage

Paragraph 3 - Documents and Specification

Draft documents. These may include a RFQ or ITT, a specification and a proposed form of contract

Specification may be conformance or performance based

A contract sets out the roles, rights, responsibilities and obligations of the parties and shows intention to enter into 'legal relations'

This stage defines the 'offer' which becomes binding once other party accepts

Documentation may also include proposed KPIs and SLAs

Paragraph 4 - Supplier Selection

For a new purchase, supplier selection is very important - investigation should be proportionate to the value of the procurement. For rebuys or low-risk purchases you could use the same supplier or a list of pre-approved suppliers.

You can locate potential suppliers by; catalogues, websites, trade registers, market exchanges and review sites, trade or industry press, fairs and conferences, networking and recommendations/ referrals.

You can shortlist suppliers by sending out a pre-qualification questionnaire. This adds value by reducing wasted time / costs / risks to entering into a contract with the wrong supplier.

Other criteria for supplier selection include using Carter's 10 Cs (competency, consistency, capability, control, cost, cash, clean, communication, culture, commitment), the supplier's financial standing (e.g. liquidity and gearing), references and considering their CSR policy.

Paragraph 5 - Issue Tender

Competitive bidding should only be done when there's sufficient time and resources available, there's sufficient suppliers in the marketplace, they're keen to win business (ie that there's appetite for competition) and there is a strong specification

Best practice is to issue tenders electronically as it ensures equal treatment of suppliers and transparency

Consider open vs closed procurement processes

Use a cross-functional team - particularly when marking responses

Conclusion - you could mention here that different sourcing activities may require more or less effort at each of the stages e.g. procuring a new item may require more market analysis than a re-buy.

Tutor Notes:

- If you want to add in extra details, you could think about ways procurement can add value at each stage

- In the old syllabus, CIPS were a bit obsessed with Michael Porter. In the Market Analysis bit you could talk about using Porter's 5 forces (buyer and supplier power, threat of new entrants, threat of substitutions, supplier rivalry) and Porter's 3 generic strategies for competing (cost leadership, differentiation, niche segment). This has been removed from the study guide so it's not essential to know this for this module, but if you've seen it before it's a nice one to throw in.

- You could also mention that there are differences between the public and private sector procurement at the different stages. E.g. Public Sector requires open competitions for contracts of a certain value and must follow the rules set out in Public Contract Regulations - the private sector doesn't have such strict regulations so there is much more flexibility in how tenders are completed. Also in the public sector, the evaluation criteria needs to be agreed beforehand and presented in the ITT- not the same for the private sector.

- Study guide p.71

**NEW QUESTION # 21**

Explain what is meant by added value (5 points). Describe 4 ways the Procurement Department can add value for their organisation (20 points)

**Answer:**

Explanation:

See the solution in Explanation part below.

Explanation:

What to include in the essay:

- Definition of added value: the economic enhancement given to products or services before offering them to customers. Examples may include a product which has additional features at no additional cost to the customer or the provision of an extended warranty.
- Description of four of the following with examples and Explanations: providing better customer service levels, risk management, cost control and reduction, relationship management, reputation management, innovation, use of technology, streamlining processes, improving specifications, increasing sustainability, improving quality, ordering processes such as bulk ordering, inventory management, improving the product from the customer's perspective (e.g. packaging, exclusivity), sustainability, convenience, market development.

Example essay:

Added value in procurement refers to the enhancement or improvement in the economic worth, quality, or utility of products or services before they are offered to customers or end-users. In the context of procurement, the goal is to go beyond simply obtaining goods or services at the lowest cost. Instead, procurement aims to contribute additional value to the organization through various means. This essay explores the concept of added value and outlines four ways the Procurement Department can contribute to organizational improvement.

**Improving Specifications**

Procurement can add value firstly by ensuring all critical items are procured against a specification, and secondly by improving and regularly updating those specifications. For example, the procurement department might be responsible for procuring light-bulbs for an office. Having an effective specification for this purchase (lightbulbs must meet X safety standard and Y environmental standard) would result in less maverick buying for the organisation and the procurement of a better-quality product. Furthermore, regularly updating specifications ensures that purchases are made against current safety standards and regulations (e.g. the use of low-energy lightbulbs). If procurement don't update specifications, then there is a risk that items are bought that don't meet the correct standards. Added value in this regard could also therefore be considered the removal of risks of procuring the wrong item.

**Stream-lining Processes**

Procurement can add value by stream-lining processes such as requisitions and POs. This reduces the time it takes to procure an item, thus saving the company money. Another process that could be streamlined is the re-ordering process of regularly bought items. This could be automated when the stock levels reach a certain level. For example if an organisation requires its staff to wear PPE, an automatic request could be made once there are only 50 face masks left.

**Managing Supplier Relationships**

Having strong, positive relationships with suppliers is a source of added value as it means suppliers value you as a buyer and are therefore more likely to help in situations which are adversely affecting business. For example, if a manufacturer puts an order in for 300 items with their supplier but then realises that they have made an error in the amount, if there is a strong relationship, the supplier may allow the buyer to amend the order after the fact. If there is a poor relationship, the supplier may not be as flexible. The flexibility in the supply chain is therefore a source of added value.

**Improving Quality / Innovation**

This involves adding value from the customer's perspective. E.g. a customer may choose to purchase a phone that has a longer battery life than others. Procurement's role in this may be in completing a Value Engineering exercise or procuring higher quality components or materials at the same price in order to achieve this additional feature.

In conclusion, the Procurement Department plays a crucial role in organizational success by adding value through improved specifications, streamlined processes, strong supplier relationships, and a focus on quality and innovation. These strategies contribute to enhanced efficiency, reduced risks, and increased customer satisfaction, making procurement an essential function for organizational excellence.

**Tutor Notes**

- The question asks specifically to name 4 ways of adding value. You therefore won't get any additional points if you talk about 5 or 6, even though it may be tempting. Instead, focus your response on providing more information on the 4 you have chosen and bulking out your answer with examples. This demonstrates to the examiner that you fully understand the topic AND that you can apply the theory to real situations.
- You could use real-life examples from your own organisation/ experience or you could give a hypothetical situation such as a cake manufacturer. You could talk through how the procurement department at the cake manufacturer can add value by doing the four things in your essay: by amending the specification so the cakes are more tasty, by streamlining the process for ordering flour, by managing the relationship with the company that fixes the machines when they break down, and by introducing innovation such as using an e-procurement system to source raw materials and the benefits that these will bring to the organisation.
- Added value is part of the syllabus for Learning Outcome 1.2 starting from p.19 but I'm gonna be honest, I think the new study guide is a bit crap on this part of the syllabus. The section starts talking about the 5 rights of procurement and I think that makes

