



CIPS L4M5 Mock Exam

Shared by Rocha on 17-06-2026

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Question 1

Question Type: MultipleChoice

Which of the following can be prepared before negotiation to achieve an agreement that benefits both parties?

Zone of potential agreement (ZOPA)

Attendee list

Walk-away point

Venue for the talks



Options:

A- 1 and 2

B- 1 and 3

C- 3 and 4

D- 2 and 3

Answer:

B

Explanation:

The ZOPA defines the range of outcomes acceptable to both parties, while the walk-away point defines the minimum acceptable deal for the buyer. Together, these guide negotiation planning to avoid unfavourable agreements. Attendee lists and venues are logistical details, important but not central to negotiation value creation. Preparation of ZOPA and walk-away ensures structured, strategic decision-making and protects against poor deals.

Question 2

Question Type: MultipleChoice

A breakeven analysis uses which of the following aspects as part of the analysis?

Options:

- A- Fixed cost
- B- Buying cost minus variable cost per unit
- C- Variable cost
- D- Selling price minus variable cost per unit

Answer:

A, D

Question 3

Question Type: MultipleChoice

John is in a negotiation with a supplier. They have decided that their future relationship will be long term, built on trust and respect, and that gains and risk will be shared between the parties. The parties will also share ideas and collaborate on those ideas. Which of the following is this type of relationship?

Options:

- A- Partnership
- B- Transactional
- C- Outsourcing
- D- Arm's length

Answer:

A

Question 4

Question Type: MultipleChoice

The National Schools Purchasing Forum (NSPF) is a procurement organisation that purchases goods and services on behalf of schools on a national scale. NSPF is close to concluding negotiations in a meeting with Hygienics For All (HFA) for the supply of consumables to school washrooms. Both parties have reached an agreeable position, and NSPF feels it is important that they conclude the negotiation at this point. What type of questions should NSPF ask HFA to

achieve this?

Options:

- A- Hypothetical questions
- B- Open questions
- C- Closed questions
- D- Probing questions

Answer:

C



Explanation:

Closed questions are effective for concluding negotiations, as they often elicit straightforward yes-or-no responses, helping to finalize terms and confirm agreement on specific points. This approach facilitates a clear and concise close to discussions, ensuring that both parties confirm their commitment to the agreed terms, as recommended by CIPS negotiation strategies.

Question 5

Question Type: MultipleChoice

A skilled negotiator will use a range of questioning techniques. If they wish to explore options with the other party without making any formal commitment, which style would they use?



Options:

- A- Leading
- B- Hypothetical
- C- Reflective
- D- Multiple

Answer:

B

Explanation:

Hypothetical ("What if...") questions test possibilities and invite creative options without binding either side. They help probe interests and packages while keeping commitment provisional.

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Question 6

Question Type: MultipleChoice

Where there are high levels of commitment to relationships between both the buyer and supplier, this is seen as collaborative and beneficial to negotiations. Is this statement correct?

Options:

- A- Yes, characteristics include risk management and strategic planning
- B- No, this can be classified as adversarial
- C- Yes, characteristics include arm's length transactions and minimal communication
- D- No, collaboration does not require commitments from either side

Answer:

A

Explanation:

A collaborative relationship is characterized by mutual commitment, which enhances risk management and strategic planning between buyer and supplier. High levels of trust and commitment enable both parties to work closely to achieve shared objectives, creating a beneficial negotiation environment. This approach aligns with CIPS's principles of collaborative procurement relationships.

Question 7

Question Type: MultipleChoice

Should a buyer use closed questions in a negotiation?

Options:

- A- Yes, because closed questions help to reconfirm certain facts
- B- Yes, because they urge the supplier to provide more :
- C- No, the buyer should maximise the use of open questions
- D- No, supplier will consider closed questions as provocation

Answer:

A

Explanation:

Asking questions the right way is both an art and a science. Ask the question the wrong way, and the other negotiator might act like a turtle, becoming defensive and withdrawing into their shell. Ask the question the right way, and the other negotiator might "spill the beans."

Closed Questions: How and when to use them?

Closed questions are those that require a short and focused answer, and are especially helpful in the beginning stages of the negotiation to encourage interaction. They can be used to clarify a point, or to reconfirm certain facts. For example, you can use a closed question to confirm the amount of units the company can produce in a week, or to clarify that what they are really saying is that they don't feel comfortable outsourcing their accounts to India. Most closed questions only require a simple "yes" or "no" response, so there really isn't much room for misinterpretation -- great for finding out where both you and they stand.

CIPS study guide page 169

What Questions Can We Ask In Negotiations?

Question 8

Question Type: MultipleChoice

End users are the only stakeholders that are involved in the preparation of a negotiation. Is this statement true?

Options:

- A- Yes, because end-users have greater expert power
- B- Yes, because only end-users understand their demand

- C- No, because end-users are external stakeholders
- D- No, because budget holders also play an important role

Answer:

D

Explanation:

Commercial negotiation objectives should be driven by the business needs of the organisation. Organisations are made up of different stakeholder groups, some of whom may have different, even conflicting objectives. From a negotiation perspective, stakeholders can be defined as persons or groups that have interest (or stake) in the outcome of the negotiation you are leading or participating in.

CIPS distinguishes between 3 sets of stakeholders:

- Internal stakeholders
- Connected stakeholders
- External stakeholders

End-users are examples of internal stakeholders. They are the people who will benefit from the purchase of a product or service. However, their interest may conflict with other groups, i.e. the budget controllers whose objective is minimising the expense. In negotiation perspective, procurement should involve different groups of stakeholder.

LO 1, AC 1.1

Question 9

Question Type: MultipleChoice

Finding the middle ground between buyer and supplier by moving towards each other's position is a satisfactory way to complete contract negotiations and maintain ongoing relations for future negotiations. Is this statement correct?

Options:

- A- Yes, because both parties will get as close to their end result as possible
- B- Yes, because the buyer will always move further than the supplier
- C- No, because the other party will take advantage if you move your position

D- No, because it will damage your credibility in contract negotiations

Answer:

A

Explanation:

Finding a middle ground, also known as compromise or convergence, is a hallmark of collaborative or integrative negotiation. It allows both parties to secure partial wins, supports longer-term relationships, and promotes ongoing goodwill for future dealings.

"Negotiators must balance assertiveness with cooperation. Meeting halfway can lead to agreements that meet minimum needs of both parties while preserving the relationship."

(L4M5 Commercial Negotiation, 2nd edition, Section 1.1 - Collaborative Approaches to Negotiation)

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