MANAGEFIRST PURCHASING PRACTICE TEST (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

1. **A purchaser wants to order highly perishable products for immediate use. She needs 12 cases and currently has 2.5 cases available. How many cases will she normally purchase?**
   - A. 9.5 cases
   - B. 14.5 cases
   - C. 10.0 cases
   - D. 7.5 cases

2. **The amount of inventory needed to maintain a continuing supply is called?**
   - A. Economic order quantity
   - B. Reorder point
   - C. Safety stock
   - D. Par stock

3. **Which statement best describes the outcome of the best buyer-vendor relationships?**
   - A. Short-term gains for the buyer
   - B. Strict price-only negotiations
   - C. Isolated purchasing
   - D. Vendors and buyers maximize benefits from their relationship

4. **Values perception is defined as?**
   - A. External opinion of product value
   - B. Customers opinion of product's value
   - C. Internal assessment of operating efficiency
   - D. Store layout and merchandising

5. **What is the recommended number of approved vendors per category?**
   - A. 2
   - B. 6
   - C. 8
   - D. 4

6. Before agreeing to receive which vendor service must the storage room be large enough to hold the product?

A. Product warranty

B. Free delivery

C. Credit term extension

D. Quantity discount

7. The purchaser has set a par level of 8 cases of lettuce. One case will be used between order and delivery, and 2 cases are currently available. How many cases need to be purchased?

A. 7 cases

B. 6 cases

C. 9 cases

D. 5 cases

8. In vendor sourcing, which activity best characterizes the process?

A. Negotiates long-term contracts

B. Analyzes supplier credit terms

C. Compares delivery times

D. Evaluates vendors prices for specific orders

9. In decentralized purchasing, if an order exceeds a pre-established cost limit, what happens?

A. The order is canceled

B. The order must be approved by the owner or a manager

C. The order is automatically approved

D. The order is sent to multiple vendors

10. The document used by purchasers to accept a vendor's price is called a what?

A. Delivery invoice

B. Quotation

C. Purchase order

D. Receiving report

Answers

1. A
2. D
3. D
4. B
5. D
6. D
7. A
8. D
9. B
10. A

Explanations

1. **A purchaser wants to order highly perishable products for immediate use. She needs 12 cases and currently has 2.5 cases available. How many cases will she normally purchase?**

   A. 9.5 cases

   B. 14.5 cases

   C. 10.0 cases

   D. 7.5 cases

When you need a certain total amount for immediate use, you order the difference between what's required and what you already have. Here, 12 cases are needed and 2.5 cases are on hand. Subtracting gives 12 – 2.5 = 9.5 cases to order. This brings the on-hand total to exactly 12, which is sensible for highly perishable items that are used right away—ordering more would risk spoilage, and ordering less wouldn't meet the immediate need.

2. **The amount of inventory needed to maintain a continuing supply is called?**

   A. Economic order quantity

   B. Reorder point

   C. Safety stock

   D. Par stock

Maintaining a continuing supply hinges on keeping a prescribed on-hand quantity known as par stock. Par stock is the target amount you want to have available to cover normal demand, so when inventory falls to that level you replenish back up to par. This ensures operations can continue smoothly without stockouts. This differs from safety stock, which is extra cushion held specifically to guard against demand or supply variability; par stock is the regular on-hand target. It also differs from the reorder point, which is the specific level that triggers a new order based on lead time and expected usage, and from economic order quantity, which focuses on the most cost-efficient order size rather than maintaining a constant on-hand level.

3. **Which statement best describes the outcome of the best buyer-vendor relationships?**

   A. Short-term gains for the buyer

   B. Strict price-only negotiations

   C. Isolated purchasing

   D. Vendors and buyers maximize benefits from their relationship

The main idea here is that the strongest buyer-vendor relationships are built on collaboration that creates value for both sides. When buyers and vendors align goals, share information openly, plan together, and solve problems as a team, they unlock benefits that go beyond any single transaction. This kind of partnership can lead to higher quality, more reliable delivery, lower total costs through better forecasting and efficiency, and opportunities for innovation that neither side could achieve alone. By investing in trust and long-term planning, both the buyer and the supplier can realize sustained advantages, making the relationship more valuable over time than quick, price-only deals or isolated purchases. So the best outcome is that vendors and buyers maximize benefits from their relationship, because the mutual gains from a collaborative, long-term partnership tend to outweigh short-term wins from individual transactions.

4. Values perception is defined as?

A. External opinion of product value

B. Customers opinion of product's value

C. Internal assessment of operating efficiency

D. Store layout and merchandising

Value perception is the customer's assessment of how much value a product offers for its price. It's subjective and driven by the buyer's viewpoint, considering factors like quality, benefits, service, and cost. That's why the description focusing on the customer's opinion of the product's value is the best fit. Other options describe external opinions, internal efficiency, or store presentation, which can influence perception but do not define how the customer judges value. In practice, retailers boost perceived value by clearly communicating benefits, offering competitive pricing, and delivering good service.

5. What is the recommended number of approved vendors per category?

A. 2

B. 6

C. 8

D. 4

Limiting the approved vendor pool to a small, steady number per category is about balancing competition with manageability. Four approved vendors per category gives enough options to drive competitive pricing, quality, and service while keeping supplier management practical. It also helps you build solid relationships, standardize expectations, and monitor performance consistently. If you had only a couple of vendors, you'd risk reduced leverage and backups, making it harder to handle delays or quality issues. If you had many more, the procurement process becomes more complex and time-consuming—more vendors to vet, track, and evaluate, which can dilute focus and slow decisions. Four offers a practical middle ground that supports reliable supply, sensible oversight, and ongoing improvement.

6. Before agreeing to receive which vendor service must the storage room be large enough to hold the product?

A. Product warranty

B. Free delivery

C. Credit term extension

D. Quantity discount

The concept here is how storage capacity interacts with purchasing options that involve larger quantities. When you agree to a quantity discount, you're committing to buying more units upfront. Those extra units must be stored somewhere until they're used, so having enough storage space is a prerequisite to taking advantage of the discount. If the storage room isn't large enough, you can't safely or efficiently hold the additional inventory, making the discount impractical. Other options don't hinge on stock size before receipt: a product warranty covers post-purchase protection, not how much you buy; free delivery is about shipping options and doesn't require extra storage before arrival; and extending credit terms affects when you pay, not how much you must store.

7. The purchaser has set a par level of 8 cases of lettuce. One case will be used between order and delivery, and 2 cases are currently available. How many cases need to be purchased?

A. 7 cases

B. 6 cases

C. 9 cases

D. 5 cases

Par level is the target amount of inventory you want on hand after a new shipment arrives. Here, the par is 8 cases. You currently have 2 on hand, and 1 case will be used between placing the order and delivery, leaving 1 case before the new stock arrives. To bring the stock up to the 8 case par once the order arrives, you need to add 7 more cases (8 minus 1). So the replenishment quantity should be 7 cases.

8. In vendor sourcing, which activity best characterizes the process?

A. Negotiates long-term contracts

B. Analyzes supplier credit terms

C. Compares delivery times

D. Evaluates vendors prices for specific orders

Vendor sourcing focuses on identifying suppliers and selecting the best value for the items you need. The key activity is evaluating vendors' prices for the specific orders you plan to place, because this step directly compares cost across suppliers to determine who offers the best value for that particular purchase. While negotiating long-term contracts, reviewing credit terms, and checking delivery times are important parts of procurement and supplier management, they are not the core action of sourcing itself. The primary goal of sourcing is to assess price quotes for the actual order to choose the most favorable option based on cost for the need at hand.

9. In decentralized purchasing, if an order exceeds a pre-established cost limit, what happens?

A. The order is canceled

B. The order must be approved by the owner or a manager

C. The order is automatically approved

D. The order is sent to multiple vendors

In decentralized purchasing, spend limits are used to control costs at the point of purchase. When an order would exceed the established cost limit, it triggers a review by someone with higher authority. The owner or a manager must approve the request before it can proceed. This gate keeps purchases within budget and aligns them with policy, even though day-to-day buying happens at the department level. Automatic approval would bypass the control, cancellation would stop the purchase regardless of circumstance, and sending to multiple vendors is about sourcing options rather than the approval workflow.

10. The document used by purchasers to accept a vendor's price is called a what?

A. Delivery invoice

B. Quotation

C. Purchase order

D. Receiving report

Understanding how a price becomes binding in purchasing hinges on who confirms the offer. The document the buyer uses to accept a vendor's price is the purchase order. When a vendor submits a price in a quotation, the buyer reviews it and, if acceptable, issues a purchase order to authorize the purchase at that price, specifying quantity, delivery terms, and other conditions. This purchase order signs off on the vendor's price and creates a binding agreement to buy. A delivery invoice comes after delivery to request payment, not to accept price. A quotation is the price offer from the vendor, not the buyer's acceptance document. A receiving report is used to record goods received, not to accept a price.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

https://managefirstpurchasing.examzify.com

We wish you the very best on your exam journey. You've got this!