NIGP CERTIFIED PROCUREMENT PROFESSIONAL (CPP) MODULE A PRACTICE EXAM (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

Table of Contents

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. **Which of the following best describes SP2?**
   A. A process for reducing procurement staff.
   B. A method for ensuring compliance with environmental standards.
   C. A framework for evaluating supplier diversity programs.
   D. Is the transformation of the entity's mission, goals, and objectives into measurable activities to plan, budget, and manage the procurement function.

2. **Procurement professionals involved in the establishment of policy manuals must ensure they NOT do which of the following?**
   A. Are compliant with best practices.
   B. Are responsive and adaptive to their environments.
   C. Act in the best interest of the government.
   D. Increase procurement thresholds to enable more efficient processes.

3. **Which statement about risk management in procurement is true?**
   A. Risks are mitigated only after the contract is awarded.
   B. Risks are rated and prioritized based on the reprimand of external auditors.
   C. Risks are rated and prioritized based on the solicitation criteria.
   D. The risk register is optional.

4. **Qualitative Feedback is described as which of the following?**
   A. Qualitative Feedback is descriptive and conceptual.
   B. Quantitative Feedback is descriptive and conceptual.
   C. Formal Feedback is descriptive and conceptual.
   D. Informal Feedback is descriptive and conceptual.

5. **Lack of internal risk management leading to exposure in contract performance.**
   A. Contractual Risk/Proposal Risk
   B. Price Risk
   C. Performance Risk
   D. Proposal or Schedule Risk

6. What is the major goal of strategic procurement planning (SP2)?

A. Link resource allocation decisions with the entity's objectives in a priority-setting model.

B. Increase procurement lead times.

C. Eliminate cross-functional collaboration.

D. Focus solely on supplier price reductions.

7. Which of the following is NOT listed as a measurement or indicator reflecting changes in economic activity?

A. New Orders

B. Production

C. Creative writing output

D. Inventories

8. Which statement about life-cycle evaluation criteria is correct?

A. Prohibit energy consumption criteria in procurement.

B. Require all purchases to be local.

C. Eliminate cooperative procurement.

D. Authorize and encourage the use of energy consumption and other life-cycle factors as evaluation criteria.

9. Fixed-price incentive contracts are used for what purpose?

A. Used for contracted service contracts for the purpose of rewarding high quality performance

B. Used for acquiring goods with uncertain quantity

C. Used for sole source acquisitions

D. Used for emergency purchases

10. Which term defines a governing principle or plan that establishes the general parameters for an entity to follow in carrying out its responsibilities?

A. Regulation

B. Procedure

C. KPI

D. Policy

Answers

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

Explanations

1. Which of the following best describes SP2?

A. A process for reducing procurement staff.

B. A method for ensuring compliance with environmental standards.

C. A framework for evaluating supplier diversity programs.

D. Is the transformation of the entity's mission, goals, and objectives into measurable activities to plan, budget, and manage the procurement function.

SP2 is about turning the organization's mission, goals, and objectives into actionable, measurable procurement activities that can be planned, budgeted, and managed. This focuses on aligning procurement with the broader strategic direction, creating clear performance indicators, resource plans, and timelines so procurement work supports those high-level aims. It's not about reducing staff, environmental compliance, or evaluating supplier diversity programs, which are separate topics or processes.

2. Procurement professionals involved in the establishment of policy manuals must ensure they NOT do which of the following?

A. Are compliant with best practices.

B. Are responsive and adaptive to their environments.

C. Act in the best interest of the government.

D. Increase procurement thresholds to enable more efficient processes.

Policy manuals must balance efficiency with strong governance. Thresholds set when formal competition or specific procurement steps must occur are a crucial control, often tied to laws and policy. Increasing those thresholds to chase efficiency would weaken oversight, reduce competition, and raise the risk of waste or abuse. That's why choosing that option is something to avoid. By contrast, staying aligned with best practices, being responsive to changing environments, and acting in the government's best interest are appropriate aims in policy development, helping ensure sound, transparent procurement. Any changes to thresholds should follow formal governance and legal requirements rather than serve as a shortcut for efficiency.

3. Which statement about risk management in procurement is true?

A. Risks are mitigated only after the contract is awarded.

B. Risks are rated and prioritized based on the reprimand of external auditors.

C. Risks are rated and prioritized based on the solicitation criteria.

D. The risk register is optional.

In procurement, risk management is about identifying potential events that could affect the project's objectives, assessing how likely they are and how big an impact they could have, and then prioritizing those risks so you can focus mitigation where it matters most. The best basis for rating and prioritizing risks is the solicitation criteria because those criteria define what matters for the project: the requirements, constraints, evaluation factors, and compliance obligations. When you align risk scoring with the solicitation criteria, you target risks that could prevent meeting the advertised goals—such as technical feasibility, supplier capability, schedule, and cost—and allocate effort to the most significant threats. A properly kept risk register supports this process as a living document that records each identified risk, its owner, likelihood, impact, priority, and planned mitigations. It should be used throughout the procurement lifecycle, not only after award. Relying on external auditors' reprimands as a basis for risk priorities isn't appropriate, since those findings do not define the specific risks relevant to the procurement objectives.

4. Qualitative Feedback is described as which of the following?

A. Qualitative Feedback is descriptive and conceptual.

B. Quantitative Feedback is descriptive and conceptual.

C. Formal Feedback is descriptive and conceptual.

D. Informal Feedback is descriptive and conceptual.

Qualitative feedback describes performance through qualities, observations, and meaning using words rather than numbers. It captures how something was done, what stood out, and why it matters—focusing on aspects like style, clarity, engagement, and approach. Because its data are non-numeric and interpretive, describing it as descriptive and conceptual fits best, since it conveys qualities and underlying meaning rather than measurements. Quantitative feedback would rely on numbers and metrics, not descriptive language about quality. Delivery style—formal or informal—refers to how feedback is given, not the inherent nature of the feedback's content. So the description that fits qualitative feedback is that it is descriptive and conceptual.

5. Lack of internal risk management leading to exposure in contract performance.

A. Contractual Risk/Proposal Risk

B. Price Risk

C. Performance Risk

D. Proposal or Schedule Risk

Lack of internal risk management during procurement creates exposure in contract performance because the risk allocation and obligations are defined in the contract and tied to what was assumed or promised in the proposal. Contractual risk covers the terms, conditions, warranties, liabilities, and change-management rules that govern how performance is to be delivered and what happens if things go wrong. If these elements aren't identified and mitigated upfront, performance can be undermined by ambiguous requirements, unfunded or underestimated risks, or unfair liability allocations, leading to disputes, cost overruns, or delays. Proposal risk also matters here because the risks recognized or accepted during the bidding process carry into the contract if not properly addressed before award. If risks aren't fully understood and priced or contingencies aren't included, the organization is more vulnerable once performance begins. The other risk categories focus on narrower aspects—price fluctuations, the act of performing itself, or scheduling issues—and don't capture the root problem: missing internal risk identification and mitigation in both the proposal and contract terms that leads to exposure during performance.

6. What is the major goal of strategic procurement planning (SP2)?

A. Link resource allocation decisions with the entity's objectives in a priority-setting model.

B. Increase procurement lead times.

C. Eliminate cross-functional collaboration.

D. Focus solely on supplier price reductions.

Strategic procurement planning centers on making sure the way we buy supports the organization's goals by tying resource allocation to priorities in a formal priority-setting model. This approach ensures that the spend plan is guided by what matters most to the mission, aligning budget, projects, and supplier activity with the entity's strategic objectives. It provides a structured way to assess needs, balance competing demands, and sequence investments so that the highest-impact priorities receive attention first, while coordinating inputs from across functions to maintain coherence and accountability. That broader, value-focused orientation is why the option about linking decisions to objectives in a priority-setting framework is the best fit. In contrast, increasing procurement lead times would hinder efficiency and responsiveness; eliminating cross-functional collaboration would erode the shared understanding and alignment the plan requires; and focusing exclusively on price reductions misses other critical value levers like quality, risk, and total lifecycle cost.

7. Which of the following is NOT listed as a measurement or indicator reflecting changes in economic activity?

A. New Orders

B. Production

C. Creative writing output

D. Inventories

Understanding economic activity hinges on indicators that reflect demand, production, and stock levels. New orders show up-to-the-minute demand for goods, production measures actual output, and inventories reveal how much is being held in stock and potential future adjustments. Creative writing output, while valuable culturally, isn't a standard macroeconomic indicator and doesn't provide a consistent signal about broad economic changes. It lacks the aggregated, measurable impact on the economy that the other items capture, so it's the one that doesn't fit.

8. Which statement about life-cycle evaluation criteria is correct?

A. Prohibit energy consumption criteria in procurement.

B. Require all purchases to be local.

C. Eliminate cooperative procurement.

D. Authorize and encourage the use of energy consumption and other life-cycle factors as evaluation criteria.

Evaluating purchases using life-cycle criteria means considering the total costs and environmental impacts that occur over a product's entire life, not just the upfront price. Energy consumption is a major ongoing cost, and including it alongside other life-cycle factors—such as maintenance, reliability, replacement needs, disposal, and recyclability—helps compare options on true value, not just initial cost. This approach guides buyers toward solutions that save money and resources over time, improve performance, and reduce environmental impact. The other statements contradict this broader view: one would suppress energy criteria, ignoring long-term costs and efficiency; another focuses on locality; and the last suggests removing collaborative procurement, which can actually hinder securing favorable life-cycle outcomes. Therefore, authorizing and encouraging the use of energy consumption and other life-cycle factors as evaluation criteria is the best approach.

9. Fixed-price incentive contracts are used for what purpose?

A. Used for contracted service contracts for the purpose of rewarding high quality performance

B. Used for acquiring goods with uncertain quantity

C. Used for sole source acquisitions

D. Used for emergency purchases

Fixed-price incentive contracts are designed to motivate the contractor to manage costs while delivering defined, high-quality performance. The structure fixes the price but ties a portion of the contractor's profit to meeting or beating a target cost and achieving measurable performance outcomes. When quality and performance matter in a service contract, this arrangement provides a financial reward for superior execution and efficiency, encouraging the vendor to invest in quality without sacrificing cost control. It's not primarily about quantity uncertainties, sole-source status, or emergency procurement needs—those situations are typically addressed with other contract types or strategies.

10. Which term defines a governing principle or plan that establishes the general parameters for an entity to follow in carrying out its responsibilities?

A. Regulation

B. Procedure

C. KPI

D. Policy

Policy provides the overarching guidance that shapes how an organization fulfills its responsibilities. It sets the general parameters—what must be done, by whom, and under what standards—without prescribing every step. A regulation is a formal legal rule issued by a government body; a procedure details the exact steps to complete a task; a KPI is a metric used to measure performance. In procurement, the policy establishes the broad framework and expectations (such as maintaining transparency and defining authority levels) within which procedures and regulations operate. So, the term that best fits is policy.

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://nigpcppmodulea.examzify.com

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