

# ISM Certified Professional in Supply Management® (CPSM®) Exam 1 Specifications

## CPSM® Exam 1: Foundation of Supply Management

165 questions • 150 scored • 2 hours, 45 minutes

### Section A – Contracting and Negotiation (32 questions)

1A1 Prepare solicitations for competitive bids, quotations and proposals with pertinent specifications, terms and conditions (6 questions)

1A2 Prepare for and develop strategies and tactics for negotiations, including definition of roles and responsibilities of team members (8 questions)

1A3 Lead/conduct/support negotiations with suppliers to obtain desired results (8 questions)

1A4 Manage the preparation and/or issuance of contracts/purchase orders/agreements (6 questions)

1A5 Administer contracts/purchase orders from award to completion or termination (4 questions)

### Section B – Cost and Finance (32 questions)

1B1 Prepare and/or administer a supply management department budget (5 questions)

1B2 Develop cost management program strategies for purchases (6 questions)

1B3 Identify savings potential opportunities and strategies for specific categories through spend analysis (7 questions)

1B4 Perform cost/benefit analyses on acquisitions (8 questions)

1B5 Develop financing and leveraging strategies for purchases (6 questions)

### Section C – International (17 questions)

1C1 Identify and assess international markets to source goods and services (7 questions)

1C2 Develop international sources of materials and services (6 questions)

1C3 Develop and maintain documentation regarding cross-border transactions (4 questions)

### Section D – Social Responsibility (14 questions)

1D1 Develop and act upon a code of business conduct for the supply management function and external suppliers (5 questions)

1D2 Establish and monitor environmentally responsible and compliant programs throughout the supply chain and life cycle (5 questions)

1D3 Implement, monitor and promote organizational and supply chain safety policies and procedures (4 questions)

### Section E – Sourcing (20 questions)

1E1 Analyze potential sources of goods or services (6 questions)

1E2 Evaluate competitive offerings to determine the overall best offer for a product/service (7 questions)

1E3 Plan and communicate sourcing and supply strategies based on forecasted data (7 questions)

### Section F – Supplier Relationship Management (35 questions)

1F1 Identify opportunities and benefits for rationalizing supply base (6 questions)

1F2 Develop/manage effective relationships with suppliers (8 questions)

1F3 Develop/implement a supplier diversity program (5 questions)

1F4 Develop new supplier qualification plans and reports to assure components, materials and suppliers meet specified requirements (regulatory, safety, reliability, quality) (6 questions)

1F5 Conduct supplier performance evaluations (6 questions)

1F6 Develop and execute supplier exit strategies (4 questions)