CIPS Level 4 Diploma — Module 5 (L4M5)

Macro Exercise / Exam Focus — Commercial Negotiation (86-Question Practice Paper)

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Q1. There are 5 stages in a negotiation. Which one is when proposals move from being tentative and general to being more definite and specific.

A. Proposing stage
B. Bargaining stage
C. Opening stage
D. Testing stage
E. Agreement and closing phase

Q2. There are 5 stages in a negotiation. Which one sets the tone for the meeting?

A. Proposing stage
B. Opening stage
C. Agreement and closing phase
D. Testing stage
E. Bargaining stage

Q3. There are 5 stages in a negotiation. Which one is when the information gained at this stage may help you decide which negotiating option to go for, or to change your approach – either tougher or less demanding.

A. Proposing stage
B. Bargaining stage
C. Opening stage
D. Agreement and closing phase
E. Testing stage

Q4. There are 5 stages in a negotiation. Which one is when either side may start making tentative proposals regarding their offering.

A. Bargaining stage
B. Opening stage
C. Proposing stage
D. Testing stage
E. Agreement and closing phase

Q5. There are 5 stages in a negotiation. Which one is when both parties trade concessions.

A. Testing stage
B. Proposing stage
C. Opening stage
D. Agreement and closing phase
E. Bargaining stage

Q6. There are 5 stages in a negotiation. Which one is when you should check the people in the room have the authority to make a deal?

A. Opening stage
B. Bargaining stage
C. Agreement and closing phase
D. Proposing stage
E. Testing stage

Q7. There are 5 stages in a negotiation. Which one is when you listen attentively, use open questions to obtain missing information, identify common ground, clarify both parties' perceptions to avoid misinterpretations, and show concern for the other party's needs and interests.

A. Bargaining stage

B. Proposing stage
C. Agreement and closing phase
D. Opening stage
E. Testing stage

Q8. There are 5 stages in a negotiation. Which one is when you shake hands on the agreement and leave the meeting as soon as possible

A. Testing stage
B. Agreement and closing phase
C. Bargaining stage
D. Opening stage
E. Proposing stage

Q9. Immediately or as soon as possible after the negotiation, a buyer should put the terms or details of the agreement in writing if you have not already got them, to confirm mutual understanding.

A. FALSE
B. TRUE

Q10. All negotiations will get to the agreement and closing phase

A. TRUE
B. FALSE

Q11. Judging when to close a negotiation can be difficult. Listen for explicit language and look for non-verbal cues.

A. FALSE
B. TRUE

Q12. In the agreement and closing phase, be on time, get the names of the other party right and offer a firm handshake, maintaining eye contact. Speak clearly and be courteous. Be prepared to engage in small talk to break the ice.

A. FALSE
B. TRUE

Q13. By the end of the opening stage, you should check that you have got all the issues you want to discuss on the table.

A. TRUE
B. FALSE

Q14. Persuasion means _____ on the other party so that they accept their own change in attitude or behaviour as a result of your actions.

A. Pushing
B. Pulling

Q15. Influence means _____ on the other party, which gets them to change their attitude or behaviour as a result of reflection.

A. Pulling
B. Pushing

Q16. _____ can be ‘directive’ or ‘reasoning’

A. Pull
B. Push

Q17. _____ can be ‘collaborative’ or ‘visionary’

A. Pull
B. Push

Q18. _____ is an ‘I’-driven push style where the influencer asserts their own views and ideas and expects others to follow. Use this if you are an expert, are working with new or inexperienced staff, and you require speedy action.

A. Visionary

B. Directive
C. Persuasive
D. Collaborative

Q19. _____ is an issue-driven push style where the influencer wants others to buy into their ideas by presenting them in an even-handed, logical, rational and objective way. Use this if your credibility and knowledge are high, you need to get buy-in to an unpopular decision and you have done research that shows this is the best answer.

A. Persuasive
B. Visionary
C. Directive
D. Collaborative

Q20. _____ is a team-oriented pull style where the influencer aims to involve others who will offer views and ideas about the issue. Use this when you need commitment from others, and you want innovative ideas from others because the issue has no clear answer.

A. Collaborative
B. Directive
C. Visionary
D. Persuasive

Q21. _____ is a pull style where you have to tap into others' emotions, engage their imagination and help them visualise what is possible. Use this when you are at the beginning of a complex change process, you need to get people's attention and innovative thinking is required.

A. Visionary
B. Collaborative
C. Persuasive
D. Directive

Q22. Tactics are actions or strategies carefully planned to achieve a specific end.

A. FALSE
B. TRUE

Q23. Tactics work best if used lavishly and as part of your plan.

A. FALSE
B. TRUE

Q24. Tactics are particularly effective when dealing with untrained negotiators.

A. TRUE
B. FALSE

Q25. Tactics effectiveness will increase over time, as the other party will recognise and be able to counter them if you use them repeatedly.

A. FALSE
B. TRUE

Q26. Negotiation training needs analysis identifies _____ gaps.

A. Learning
B. Skill
C. Empty
D. Local

Q27. In an integrative negotiation there will be more _____, communication and listening.

A. Toughness
B. Unpleasantness
C. Openness
D. Thoroughness

Q28. As explained in neuro-linguistic _____ or NLP, you cannot not communicate.

A. Programming

B. Preparation
C. Planning
D. Performance

Q29. Everyone learns by…. Select one or more: (Select all that apply)

A. Not paying attention
B. Doing the task
C. Waiting for orders
D. Adopting ideas

Q30. Active listening includes showing _____ and _____ , and engaging with the other party. (Select all that apply)

A. Empathy
B. Facts
C. Boldness
D. Interest

Q31. Pull behaviours involve…. Select one or more: (Select all that apply)

A. Threat
B. Involvement
C. Force
D. Motivation

Q32. Evaluating the negotiation process looks at… Select one or more: (Select all that apply)

A. Information
B. Deliberation
C. Preparation
D. Collaboration

Q33. Without defining _____ your chances of _____ in a negotiation are minimal. (Select all that apply)

A. Variables
B. Success
C. Objectives
D. Achievement

Q34. Kolb states that learning involves the _____ of abstract concepts who's _____ is flexible. (Select all that apply)

A. Allocation
B. Application
C. Acquisition
D. Accumulation

Q35. Bargaining is where both parties _____ to confirm what each party _____ is the value of an item. (Select all that apply)

A. Debates
B. Believes
C. Argues
D. Challenges

Q36. Why is it important to draw up a list of tradeables before a negotiaton?

A. To make the supplier concede to their request
B. To emphasise their buying power by showing how many options they had
C. To make the chance of a win-win outcome more likely

Q37. During which stage should you start trading concessions with the supplier?

A. Testing stage
B. Bargaining stage
C. Proposing stage

Q38. When using probing questions to encourage the supplier to keep talking, what skill are you using?

A. Persuasive skills
B. Manipulative skills
C. Active listening skills

Q39. When asking 'Would it change things if we were able to place more spend with your organisation?', what type of question are you using?

A. Probing question
B. Hypothetical question
C. Open question

Q40. There are 5 stages in a negotiation. Which one is the first few minutes when the parties meet and greet each other and are seated in the negotiation room in preparation for the main event.

A. Agreement and closing phase
B. Proposing stage
C. Opening stage
D. Testing stage
E. Bargaining stage

Q41. There are 5 stages in a negotiation. Which one is when you make sure that all issues have been resolved and there is no ambiguity about any of the terms. Summarise to confirm what has been agreed to lead to final agreement.

A. Agreement and closing phase
B. Bargaining stage
C. Opening stage
D. Proposing stage
E. Testing stage

Q42. There are 5 stages in a negotiation. Which one is when both sides will be seeking to establish if a zone of potential agreement (ZOPA) exists.

A. Testing stage
B. Proposing stage
C. Agreement and closing phase
D. Bargaining stage
E. Opening stage

Q43. There are 5 stages in a negotiation. Which one is when each side 'tests' the other's position without giving away too much about its own.

A. Bargaining stage
B. Opening stage
C. Proposing stage
D. Testing stage
E. Agreement and closing phase

Q44. There are 5 stages in a negotiation. Which one is when each parties trade concessions.

A. Testing stage
B. Agreement and closing phase
C. Opening stage
D. Proposing stage
E. Bargaining stage

Q45. Negotiation tactic - put on an act to make the other party warm to the good cop and make more concessions than they would in absence of the bad cop.

A. Declaration of a public stance
B. Getting peanuts
C. Good cop/bad cop
D. Salami (one slice at time)
E. Thank and bank
F. Lack of authority

Q46. Negotiation tactic - say thank you when the other party offers you a concession and 'bank' it, making it harder for the other party to take it back later.

A. Lack of authority
B. Getting peanuts
C. Good cop/bad cop
D. Thank and bank
E. Declaration of a public stance
F. Salami (one slice at time)

Q47. Negotiation tactic - 'board approval' – extract another concession that allows you to sign off there and then; say that if, for example, the price is less than $1m, you do not have to get board approval.

A. Lack of authority
B. Salami (one slice at time)
C. Getting peanuts
D. Declaration of a public stance
E. Good cop/bad cop
F. Thank and bank

Q48. Negotiation tactic - say publicly what you expect from a deal, e.g., promise union members a 10% pay rise. Use this as emotional pressure with the employer in the meeting to gain concessions without which you would lose face, which in many cultures is highly undesirable.

A. Salami (one slice at time)
B. Thank and bank
C. Good cop/bad cop
D. Declaration of a public stance
E. Lack of authority
F. Getting peanuts

Q49. Negotiation tactic - pretend something that you need is not important. For example, you might not initially communicate your need for urgency in case the other party wants to supply ASAP. This means that you may not need to pay extra, whereas if you indicate the value of fast delivery you will be charged for it. Always trade concessions.

A. Lack of authority
B. Thank and bank
C. Good cop/bad cop
D. Declaration of a public stance
E. Getting peanuts
F. Salami (one slice at time)

Q50. Negotiation tactic - ask for an exceptional one-off concession that is normally hard to get, e.g., an extra-long payment period. Once granted, the precedent is set and it will be easier to get again.

A. Good cop/bad cop
B. Lack of authority
C. Declaration of a public stance
D. Getting peanuts
E. Salami (one slice at time)
F. Thank and bank

Q51. Negotiation tactic - your first demand is so high that the other party is shocked and you condition them to move closer to your position. This is linked to anchoring.

A. Outrageous initial demand
B. Thank and bank
C. One more thing
D. Add on
E. Salami (one slice at time)
F. Broken record

Q52. Negotiation tactic - unexpected extras are added on after the negotiation that were not clarified or explicitly discussed, e.g., out-of-hours support costs, hidden fees, or discounts dependent on

extra-prompt payment.

A. Thank and bank
B. One more thing
C. Broken record
D. Salami (one slice at time)
E. Add on
F. Outrageous initial demand

Q53. Negotiation tactic - keep repeating something, e.g., repeatedly emphasise the budgetary pressures you are under to condition the other party into thinking you have no money.

A. Outrageous initial demand
B. Salami (one slice at time)
C. One more thing
D. Thank and bank
E. Add on
F. Broken record

Q54. Negotiation tactic - wait until the end to ask for a concession you know is contentious. You still may not get it but as the deal is so close the other party may be more likely to concede at this stage when reopening the negotiation is not attractive.

A. Broken record
B. Salami (one slice at time)
C. One more thing
D. Thank and bank
E. Outrageous initial demand
F. Add on

Q55. Questioning in a negotiation is used to elicit information

A. FALSE
B. TRUE

Q56. Questioning in a negotiation can condition the other party by constantly asking about a specific issue, to suggest you are unaware of a particular subject or more knowledgeable about it than you actually are

A. TRUE
B. FALSE

Q57. Questioning in a negotiation will stall movement and lead to a negotiation stalling

A. FALSE
B. TRUE

Q58. There are ____ main styles of question used at a different stage of the negotiation meeting to elicit different types of information.

A. 4
B. 10
C. 2
D. 8
E. 6

Q59. _____ typically start with 'what', 'how' and 'why'. They are used at the opening and testing stages build rapport and uncover needs and underlying motives and allow the buyer to get a feel for what is in store in the negotiation.

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

Q60. _____ generate a specific answer. They are useful for confirming facts. For example, 'Can you deliver to regions X and Y with a 48-hour lead time?' Or 'Who will be the account manager?'

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

Q61. _____ are typically used as follow-ups to open questions to elicit more detailed information, for example, 'Can you expand on that last point?'

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

Q62. _____ are used to ask about a possible situation or abstract concept. They are useful at the testing and proposal phases. For example, 'If we could pay in advance, what could you do about the price?'

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

Q63. Skilled negotiators have good listening skills.

A. FALSE
B. TRUE

Q64. Skilled negotiators use active listening to provide them with more information.

A. FALSE
B. TRUE

Q65. Skilled negotiators are not attuned to verbal communication signals from the other party – they ignore how other negotiators use word choice and sentence structure for effect.

A. FALSE
B. TRUE

Q66. Skilled negotiators are attuned to nonverbal communication signals from the other party – they note vocal features such as pitch, tonal quality and rate of speech.

A. FALSE
B. TRUE

Q67. What three common pitfalls hinder active listening? (Select all that apply)

A. Thinking of negotiation as a job of persuasion, and speaking rather than listening
B. Not using the time in which the other person is talking to prepare what to say next
C. Thinking of negotiation as not a job of persuasion, and speaking rather than listening
D. Not hearing what you do not want to hear
E. Hearing what you do not want to hear
F. Using the time in which the other person is talking to prepare what to say next

Q68. Which of the following rules of active listening will help you to become a successful negotiator (Select all that apply)

A. React to the message, not the person.
B. Write everything down.
C. Listen with a goal in mind.
D. Do not interrupt the other party when they are speaking. • Fight distractions.
E. Be motivated to listen.
F. Give the other party your undivided attention.

Q69. To improve your active listening skills, ask probing questions helps to obtain deeper and more meaningful information

A. FALSE
B. TRUE

Q70. To improve your active listening skills, use brief, positive prompts, such as ‘oh?’ and ‘and?’ can help to show you are listening and to keep the other party speaking.

A. FALSE
B. TRUE

Q71. To improve your active listening skills, ensure that you don’t use pauses and silence to indicate that you are thinking about what the other party has just said.

A. TRUE
B. FALSE

Q72. When professionals deal with organisations based in other countries, cultural differences that affect values in the workplace can come into play.

A. FALSE
B. TRUE

Q73. Some large multi-national organisations mitigate issues that arise as a result of cultural differences by employing or deploying staff with the same cultural background as part of the negotiation team

A. TRUE
B. FALSE

Q74. Using a local agent or an overseas purchasing office that employs local staff will not help to overcome cultural differences and is too expensive

A. TRUE
B. FALSE

Q75. Professor Geert Hofstede initially classified national cultures against four dimensions, which were later expanded to six dimensions

A. FALSE
B. TRUE

Q76. Which one of Professor Geert Hofstede cultural dimensions is defined as "the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally"

A. Power distance index (PDI)
B. Long-term orientation vs. short-term orientation (LTO)
C. Indulgence vs. restraint (IND)
D. Masculinity vs. femininity (MAS)
E. Uncertainty avoidance (UAI)
F. Individualism vs. collectivism (IDV)

Q77. Which one of Professor Geert Hofstede cultural dimensions explores the "degree to which people in a society are integrated into groups". Individualistic societies have loose ties that often only relate an individual to his/her immediate family.

A. Indulgence vs. restraint (IND)
B. Power distance index (PDI)
C. Long-term orientation vs. short-term orientation (LTO)
D. Individualism vs. collectivism (IDV)
E. Uncertainty avoidance (UAI)
F. Masculinity vs. femininity (MAS)

Q78. Which one of Professor Geert Hofstede cultural dimensions is defined as "a society's tolerance for ambiguity", in which people embrace or avert an event of something unexpected, unknown, or away from the status quo.

A. Indulgence vs. restraint (IND)
B. Power distance index (PDI)
C. Uncertainty avoidance (UAI)
D. Long-term orientation vs. short-term orientation (LTO)
E. Masculinity vs. femininity (MAS)
F. Individualism vs. collectivism (IDV)

Q79. Which one of Professor Geert Hofstede cultural dimensions associates the connection of the past with the current and future actions/challenges.

A. Long-term orientation vs. short-term orientation (LTO)
B. Power distance index (PDI)
C. Individualism vs. collectivism (IDV)
D. Masculinity vs. femininity (MAS)
E. Uncertainty avoidance (UAI)
F. Indulgence vs. restraint (IND)

Q80. Which one of Professor Geert Hofstede cultural dimensions is defined as "a preference in society for achievement, heroism, assertiveness and material rewards for success." Its counterpart represents "a preference for cooperation, modesty, caring for the weak and quality of life.

A. Uncertainty avoidance (UAI)
B. Power distance index (PDI)
C. Individualism vs. collectivism (IDV)
D. Masculinity vs. femininity (MAS)
E. Long-term orientation vs. short-term orientation (LTO)
F. Indulgence vs. restraint (IND)

Q81. Which one of Professor Geert Hofstede cultural dimensions refers to the degree of freedom that societal norms give to citizens in fulfilling their human desires.

A. Indulgence vs. restraint (IND)
B. Long-term orientation vs. short-term orientation (LTO)
C. Uncertainty avoidance (UAI)
D. Individualism vs. collectivism (IDV)
E. Power distance index (PDI)
F. Masculinity vs. femininity (MAS)

Q82. Reflection means reviewing what went well and what could have gone better in order to improve future performance.

A. FALSE
B. TRUE

Q83. Reflection must only take place privately, in your own mind and not in a formal team setting.

A. FALSE
B. TRUE

Q84. The amount of time and effort put into the reflection should be in line with the importance of the negotiation to the buying organisation.

A. FALSE
B. TRUE

Q85. When reflecting on performance, always refer to your strategy and plan.

A. TRUE
B. FALSE

Q86. Reflection has which of the following benefits? (Select all that apply)

A. Lessons can be learned regarding what tactics did and did not work.
B. It helps to improve performance in future negotiation settings.
C. The strengths and weaknesses of negotiators' individual and team skills can be identified for development.
D. It makes participants more focused during the meeting.
E. The strengths and weaknesses of the negotiation strategy can be confirmed.
F. Participants have an opportunity to air their thoughts openly with their colleagues

Answer Key

Correct answers, all together, for quick marking.

Q1. B — Bargaining stage
Q2. B — Opening stage
Q3. E — Testing stage
Q4. C — Proposing stage
Q5. E — Bargaining stage
Q6. A — Opening stage
Q7. E — Testing stage
Q8. B — Agreement and closing phase
Q9. B — TRUE
Q10. B — FALSE
Q11. B — TRUE
Q12. A — FALSE
Q13. A — TRUE
Q14. A — Pushing
Q15. A — Pulling
Q16. B — Push
Q17. A — Pull
Q18. B — Directive
Q19. A — Persuasive
Q20. A — Collaborative
Q21. A — Visionary
Q22. B — TRUE
Q23. A — FALSE
Q24. A — TRUE
Q25. A — FALSE
Q26. B — Skill
Q27. C — Openness
Q28. A — Programming
Q29. B, D — Doing the task; Adopting ideas
Q30. A, D — Empathy; Interest
Q31. B, D — Involvement; Motivation
Q32. A, C — Information; Preparation
Q33. C, D — Objectives; Achievement
Q34. B, C — Application; Acquisition
Q35. A, B — Debates; Believes
Q36. C — To make the chance of a win-win outcome more likely
Q37. B — Bargaining stage
Q38. C — Active listening skills
Q39. B — Hypothetical question
Q40. C — Opening stage
Q41. A — Agreement and closing phase
Q42. B — Proposing stage
Q43. D — Testing stage
Q44. E — Bargaining stage
Q45. C — Good cop/bad cop

Q46. D — Thank and bank

Q47. A — Lack of authority

Q48. D — Declaration of a public stance

Q49. E — Getting peanuts

Q50. E — Salami (one slice at time)

Q51. A — Outrageous initial demand

Q52. E — Add on

Q53. F — Broken record

Q54. C — One more thing

Q55. B — TRUE

Q56. A — TRUE

Q57. A — FALSE

Q58. A — 4

Q59. D — Open questions

Q60. A — Closed questions

Q61. C — Probing questions

Q62. C — Hypothetical questions

Q63. B — TRUE

Q64. B — TRUE

Q65. A — FALSE

Q66. B — TRUE

Q67. A, E, F — Thinking of negotiation as a job of persuasion, and speaking rather than listening; Hearing what you do not want to hear; Using the time in which the other person is talking to prepare what to say next

Q68. A, B, C, D, E, F — React to the message, not the person.; Write everything down.; Listen with a goal in mind.; Do not interrupt the other party when they are speaking. • Fight distractions.; Be motivated to listen.; Give the other party your undivided attention.

Q69. B — TRUE

Q70. B — TRUE

Q71. B — FALSE

Q72. B — TRUE

Q73. A — TRUE

Q74. B — FALSE

Q75. B — TRUE

Q76. A — Power distance index (PDI)

Q77. D — Individualism vs. collectivism (IDV)

Q78. C — Uncertainty avoidance (UAI)

Q79. A — Long-term orientation vs. short-term orientation (LTO)

Q80. D — Masculinity vs. femininity (MAS)

Q81. A — Indulgence vs. restraint (IND)

Q82. B — TRUE

Q83. A — FALSE

Q84. B — TRUE

Q85. A — TRUE

Q86. A, B, C, D, E, F — Lessons can be learned regarding what tactics did and did not work.; It helps to improve performance in future negotiation settings.; The strengths and weaknesses of negotiators' individual and team skills can be identified for development.; It makes participants more focused during the meeting.; The strengths and weaknesses of the negotiation strategy can be confirmed.; Participants have an opportunity to air their thoughts openly with their colleagues