

Supply Chain Management

1 In the current business scenario, one has to apply ===== to managing the entire flow of information, materials and services from raw materials suppliers through factories and warehouses to the end customers.

- a) **total systems approach**
- b) total quality approach
- c) total management approach
- d) total marketing approach

2 The flow of materials from suppliers all the way to customers is viewed as a ;-

- a) **system**
- b) procedure
- c) process
- d) operation

3 The supply chain is identified by first selecting the ;-

- a) suppliers
- b) end customers
- c) distribution system
- d) product group**

4 The trace of the flow of materials and information is done from final customer (end user) backwards to the source of raw materials

True

False

5 A firm can make profit only if its products are ;-

- a) priced lower than competitors
- b) **valued by the consumers**
- c) of good quality
- d) both a) & c) above

6 The price consumers are prepared to pay for a product is a measure of the ===== of the product to consumers

- a) **value**
- b) popularity
- c) assessment
- d) worth

7 A firm is invariably viewed as a value chain , comprising of a series of distinct value creation activities which include ;-

- a) production management
- b) marketing management
- c) materials management
- d) **all the above**

8 Production , marketing and delivering the product to buyers and providing after sales services to the buyers of the product are the ===== activities of the value creation chain

- a) **primary**
- b) secondary
- c) main
- d) auxiliary

9 Getting products and services where they are needed and when they are desired, comes under the purview of ;-

- a) **Logistics**
- b) Marketing
- c) Transportation
- d) Stores

10 Broadly speaking, logistics involves the integration of following activities ;-

- a) transportation
- b) inventory
- c) warehousing
- d) **all the above**

11 Logistical process facilitates the flow of materials from suppliers to the manufacturing firms and the distribution of finished products through marketing channels to consumers

True
False

12 Inventory can be defined as the management of materials in motion and at rest

True
False

13 The Green supply management necessarily includes following components ;-

- a) the purchase of materials and items that are recyclable
- b) the environmental and liability issues associated with the use and discharge of hazardous materials
- c) both a) & b) **above**
- d) ensuring plantation of sufficient greenery in the work premises

14 A conflict of interest exists when supply managers divide their loyalty between the firm which employs them and another firm

True

False

5 A common approach to multiple sourcing is the ;-

- a) **70-30 approach**
- b) 80-20 approach
- c) 60-40 approach
- d) 50-50 approach

16 Many well known firms try to limit their order on a firm to the extent of 15 to 25 percent of the supplier's entire capacity

True

False

17 The components of full Operating costs include ;-

- a) Executive salaries
- b) Transfer pricing
- c) Commercial expenses
- d) **All the above**

18 To accurately reflect the proper allocation of overhead to different production , firms use an accounting technique called ;-

- a) **activity – Based- costing**
- b) activity-related costing
- c) activity generated costing
- d) overhead based costing

19 A key product or service which is closely interrelated with the firm's core competencies would more likely to be reflected in a favourable ;-

- a) **in sourcing decision**
- b) out sourcing decision
- c) both a) & b) above
- d) manufacturing decision

20 The choice of insourcing / outsourcing is affected by following factors ;-

- a) changing demand
- b) shifting technology life cycles
- c) strategy development
- d) **all the above**

21 To produce materials and components of the specified quality in a cost effective manner, the supplier should have ;-

- a) ability
- b) motivation
- c) adequate information
- d) **all the above**

22 The supply manager must control the quality and related costs of incoming materials

True
False

23 To produce materials and components of the specified quality in a cost effective manner, the supplier should have ;-

- e) ability
- f) motivation
- g) adequate information
- h) **all the above**

24 The supply manager must control the quality and related costs of incoming materials

True
False

25 In modern management, ===== has become a central feature of management planning and control

- a) **information**
- b) production
- c) logistics
- d) scheduling

26 Capabilities relating to information systems and information technologies are regarded as ;-

- a) **key strategic resources**
- b) key tactical resources
- c) key operational resources
- d) none of the above

27 A slow and erratic communication may result in;-

- a) loss of customers
- b) excessive transportation
- c) inventory and warehousing costs
- d) **all the above**

28 World class logistics practices include use of logistics information systems as a key to competitiveness

True
False

28 The drivers of new supply chain systems and the new e-economy are;-

- a) Internal and external strategic integration
- b) Globalization and communication
- c) Data information management
- d) **All the above**

29 A hasty outsourcing decision may lock a company into;-

- a) **unnecessarily high costs**
- b) unnecessarily high inventories
- c) unnecessarily high tensions
- d) all the above

30 Companies that have sophisticated buying processes and bare – boned outsourcing relationships in place, finding the necessary money is a difficult task.

True
False

31 Final assemblies of customer orders in distribution centers are the prime areas of continuous improvements.

True
False

32 E-auctions and E-sourcing are great paths of increased savings provided;-

- a) the users picked the right commodities for the Web ##
- b) it is implemented properly
- c) it is advertised properly
- d) all the above

33 Suppliers make up a growing proportion of a company's cost structure and operational capability

True
False

34 The focus of management theorists and business executives is primarily on;-

- a) finance
- b) product
- c) procurement
- d) **all the above**

35 The organizational design should be handled from a ;-

- a) **practitioner's perspective**
- b) theoretical perspective
- c) both a) &b) above
- d) none of the above

36 The essential elements of any organizational design consists of following elements;-

- a) tasks , people
- b) information , decision making
- c) rewards, structure
- d) **all the above**

37 If technology is changing rapidly, outsourcing shifts the risk to external sources which specializes in a technology and are better able to manage the inherent risks

True

False