

VPM's
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Subject	Supply Chain Management		
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1. The sequence of a typical manufacturing supply chain is
 - a. Storage–Supplier–manufacturing–storage–distributor–retailer–customer
 - b. Supplier–Storage–manufacturing–storage–distributor–retailer–customer
 - c. Supplier–Storage–manufacturing– distributor–storage–retailer–customer
 - d. Supplier–Storage–manufacturing–storage– retailer–distributor–customer

2. Logistics is the part of a supply chain involved with the forward and reverse flow of
 - a. goods
 - b. services
 - c. cash
 - d. all of the above

3. Expansion by acquisition of suppliers and customers, illustrates which of the following strategies
 - a. Vertical integration strategy
 - b. Facilities strategy
 - c. Planning and control systems strategy

4. Network design means?
 - a. Design of movement of goods
 - b. Design and implementation of hubs for goods movement
 - c. Both of the above
 - d. None of the above

5. Uncertain demand in market should have
 - a. Efficient supply chain system
 - b. Productive supply chain system
 - c. Responsive supply chain system
 - d. None of the above

6. Which of the following sequence is true?
 - a. Sourcing – Outbound logistics – conversion into finished goods – Inbound logistics – Retailing
 - b. Inbound logistics – sourcing – conversion into finished products – outbound logistics – retailing
 - c. Sourcing – conversion into finished products – inbound logistics – outbound logistics – retailing

- d. Sourcing – inbound logistics – conversion into finished products – outbound logistics – retailing
 - e. Sourcing – inbound logistics – outbound logistics – conversion into finished products – retailing
7. Cross Docking means
- (a) Goods criss-crossing in the docks
 - (b) Unloading, sorting and reloading of goods meant for specific destination
 - (c) A term used in ports
 - (d) Differing with boss
8. What is the term commonly used to refer to the extension of physical distribution management?
- A. Distribution flow management
 - B. Downstream supply management
 - C. Materials management
 - D. Logistics
9. Which of the following is true for supply chain management?
- a. The physical material moves in the direction of the end of chain
 - b. Flow of cash backwards through the chain
 - c. Exchange of information moves in both the direction
 - d. All of the above
10. The purpose of supply chain management is
- a. provide customer satisfaction
 - b. improve quality of a product
 - c. integrating supply and demand management
 - d. increase production
11. The objective of a supply chain is:
- A. to improve the efficiency across the whole supply chain
 - B. to improve responsiveness across the whole supply chain
 - C. to deliver improved value to the customers
 - D. to improve the efficiency and responsiveness across the whole supply chain and also deliver improved value to the customers
12. A supply chain is a sequence of firms that perform activities required:
- a. To find products which are similar
 - b. to facilitate wholesalers' inventory selections
 - c. to create and deliver goods to consumers
 - d. To support the acquisition of raw materials
13. Which of the following is not a problem commonly caused by a fragmented supply chain?
- a. Poor communications
 - b. Different, often conflicting objectives

- c. More delays and uncertainty
 - d. Changing customer demand
14. Which of the following is not a common benefit of improving performance?
- a. Lower resource utilization
 - b. Lower costs
 - c. Less waste of resources
 - d. Improved competitiveness and growth
15. The major decision areas in supply chain management are
- a. location, production, distribution, inventory
 - b. planning, production, distribution, inventory
 - c. location, production, scheduling, inventory
 - d. location, production, distribution, marketing
16. A ----- encompasses all activities associated with the flow and transformation of goods from raw material stage, through to the end user, as well as associated information flows
- a. production line
 - b. supply chain
 - c. marketing channel
 - d. warehouse
17. The total logistics cost factors need to be balanced against the:
- a. supply chain manager's total experience
 - b. total expected transportation needs
 - c. customer service factors
 - d. lead time expectations
18. Due to small change in customer demands, inventory oscillations become progressively larger looking through the supply chain. This is known as
- a. Bullwhip effect
 - b. Net chain analysis
 - c. Reverse logistics
 - d. Reverse supply chain
19. Which one of the following is not the supply challenge being faced by the Indian organizations?
- a. Poor infrastructure
 - b. IT implementation
 - c. Complex taxation structure
 - d. Complex distribution structure
 - e. Smaller pack sizes
20. _____ is good for stable demand with no pronounced behavioral patterns.
- a. longer-period moving average
 - b. shorter-period moving average

- c. moving average
- d. weighted moving average

21. _____ methods assume that what has occurred in the past will continue to occur in the future.
- a. Time series
 - b. Regression
 - c. Quantitative
 - d. Qualitative
22. Which of the following is not the technique of Forecasting?
- a) Simple Moving Average Method
 - b) Exponential Smoothing factor
 - c) Weighted Moving Average Method
 - d) Market Potential
23. What do you mean by cross docking?
- a. Normal transit of goods with storage
 - b. Transit of goods without storage
 - c. Transit and assortment of goods without storage
 - d. None of the above
24. What do you mean by Lead time?
- a. Time between order placed by customer and order received by customer
 - b. Time between order placed by customer and order received by retailer
 - c. Time between order placed by retailer and order received by customer
 - d. None of the above
25. What do you mean by Outsourcing?
- a. Internal activities handled by internal team
 - b. External activities handled by internal team
 - c. Internal activities handled by external team
 - d. None of the above
26. Push strategy means?
- a) Pushing products away from the customer
 - b) Pushing products towards customer
 - c) Both of the above
 - d) None of the above
27. What do you mean by replenishment?
- a) Refilling products on the rack which are sold
 - b) Clearing obsolete products
 - c) Clearing new stock
 - d) None of the above

28. What is postponement strategy?
- Postponing differentiation in the process
 - Postponing differentiation in the product
 - Both of the above
 - None of the above
29. Supply chain Management focuses on-
- Reducing costs
 - Increasing revenue
 - Increasing volumes
 - Decreasing errors
30. 4PL are –
- Mediator between 3PL and manufacturer
 - Mediator between 3PL and supplier
 - Mediator between 3PL and retailer
 - None
31. What does FTL and LTL stands for
- Fit to load and Lift to load
 - Full truck load and low truck load
 - Fit truck load and Lift truck load
 - None of the above
32. Which of the following components refers to changes in the demand patterns that exist for more than one year?
- Seasonal component
 - Trend component
 - Cyclic component
 - Promotional component
 - Irregular component
33. Supply chain execution systems focus on the operational issues in the supply chain processes. Which of the following execution system helps in managing the inventory, order fulfillment, and material handling processes in a distribution center?
- Manufacturing execution systems
 - Warehouse management systems
 - Transportation management systems
 - Order management systems
 - Information Technology System
34. Which of the following is a reason for institutional impediments faced by organizations intending to operate globally?
- Logistical problems
 - Income levels of consumers
 - Climatic conditions of the market

- d. Governmental pressure to engage in local R & D
 - e. Varying preferences and taste
35. Bar coding refers to
- (a). Coding materials in stores through black and white stripes
 - (b) A system of optically scanning, a series of bars to identify prices or other parameters.
 - (c) Coding of 'Bright bars / and alloys steel bars
 - (d) Classification of bars
36. Rail transport is cheaper when compared to road transport, for transportation of :
- a) Smaller volume of goods over short distance
 - b) Fragile goods over long distances
 - c) Bulky goods over short distances
 - d) Bulky goods over long distances
37. Cold storage is used in storing of
- a) Chemicals
 - b) Metals
 - c) Perishables like foodstuff, flowers etc.
 - d) Explosives
38. Which of the following relates to the short-term ability to supply?
- a. Willingness to share risk
 - b. Technical capability
 - c. Potential for innovation
 - d. Dependability of supply
39. In attempting to reduce inventory in the supply chain as a whole, the supply chain manager must focus attention on:
- a. 'A-class' products
 - b. First-tier suppliers
 - c. End customers
 - d. 'Bottle neck' businesses
40. "3PL" involves using a supplier to provide _____ services.
- A. marketing
 - B. design
 - C. logistics
 - D. contract manufacturing
41. Which of the following sequential stages does supply chain integration involve?
- a. Islands within an organization → internal integration → External integration
 - b. Islands within an organization → Internal integration → Virtual integration → External integration

- c. Islands within an organization → Virtual integration → Internal integration → External integration
- d. Islands within an organization → Internal integration → External integration → Virtual integration
- e. Islands within an organization → Virtual integration → External integration → internal integration

42. What is the first step in choosing a supply chain?
- A) developing an umbrella mission statement
 - B) understanding the customer
 - C) making sure the members of the supply chain harmonize with the organizational culture
 - D) creating a unifying inter-organizational strategy
 - E) determining what the competition is doing
43. With which customer service factor are quick response and efficient consumer response delivery systems most closely related?
- A) Time
 - B) dependability
 - C) inventory costs
 - D) communication
 - E) convenience
44. Which of the following statements about air carriers is true?
- A) One advantage of air carriers is door-to-door delivery.
 - B) There are no space constraint limitations as to what can be transported in planes.
 - C) This method of transportation is especially effective for piggybacking.
 - D) Air carriers are commonly used for perishable flowers, clothing, and electronics parts.
 - E) All of the above statements about air carriers are true.
45. In physical distribution decisions, total logistics cost includes:
- A) order processing.
 - B) materials handling and warehousing.
 - C) transportation.
 - D) inventory and stock outs.
 - E) all of the above.
46. Combining different transportation modes in order to get the best features of each is called:
- A) freight forwarding.
 - B) Dual distribution.
 - C) Intermodal transportation.
 - D) Bimodal logistics.
 - E) Intramural transport.
47. Logistic network through which unwanted or excess products are transported by resellers or consumers is classified as

- a. inbound distribution
 - b. outbound distribution
 - c. forward distribution
 - d. reverse distribution
48. Many organizations hold safety stocks as part of their inventory. Which of the following is a reason for holding safety stocks?
- a. To improve stock holding levels
 - b. To improve stock accuracy levels
 - c. To cater for demand forecast errors
 - d. to cater for a large storage capacity
49. When using the 'ABC' approach to stock categorization, which of the following describes class 'C' items?
- a. High value, high risk
 - b. High value, low risk
 - c. Low value, high risk
 - d. Low value, low risk.
50. Traditionally, stores have carried inventory to:
- a. prevent strikes or product shortages.
 - b. provide better service for those customers who wish to be served on demand.
 - c. eliminate forecasting uncertainty.
 - d. avail purchasing and transportation discounts
51. Inventory carried for the purpose of providing flexibility to each decision-making unit to manage its operations independently is known as
- a. Safety Inventory
 - b. Decoupling inventory
 - c. Pipeline inventory
 - d. Cycle inventory
52. Which usually comes first?
- a. Complete integration
 - b. Segmented integration
 - c. External integration
 - d. Internal integration
53. What is internal integration?
- a. Only trading with subsidiary companies
 - b. Combining all logistics activities within an organization
 - c. Combining operations, logistics, and marketing into a single function
 - d. Combining logistics activities with other organizations within a supply chain
54. Which of the following is not one of the three basic questions of inventory management?
- a. What items should be stocked?

- b. How much should we order?
 - c. When should we place an order?
 - d. How much do materials cost?
55. For a simple inventory system, the point where the total holding cost is equal to the total ordering cost is called:
- a. Equilibrium point
 - b. Balance point
 - c. Minimum feasible order quantity
 - d. Economic order quantity
56. An important feature of supply chain management is its application of electronic commerce technology that allows companies to share and operate systems for:
- a. order processing, transportation scheduling, and inventory management.
 - b. Cost-effective flowing of raw materials
 - c. future merger opportunities
 - d. prospecting new business ventures
57. Which of the following is not a common benefit of external integration?
- a. Lower costs
 - b. Better customer service
 - c. Less risk to information system
 - d. Improved material flow
58. What is external integration?
- a. Only trading with subsidiary companies
 - b. Combining all logistics activities within an organization
 - c. Combining operations, logistics, and marketing into a single function
 - d. Combining logistics activities with other organizations within a supply chain
59. Which of the following is not a common barrier to internal integration?
- a. Accounting conventions for costs
 - b. Need for change
 - c. Finding a sponsor
 - d. Information systems
60. Which of the following is not a barrier to supply chain management?
- a. regulatory and political considerations
 - b. lack of top management commitment
 - c. reluctance to share or use relevant data
 - d. all are barriers