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*APICS*

*CPIM-BSCM  
CPIM Basics of Supply Chain Management*

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## Question: 1

Effective inventory management should lead to which of the following?

- A. Higher inventory turns
- B. Higher product quality
- C. Lower cost of capital
- D. Elimination of inventory cycle counting

**Answer: A**

## Question: 2

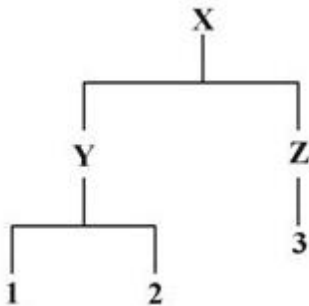
Which of the following variables best represents a strategic performance measure?

- A. Revenue growth
- B. Machine utilization
- C. Work center capacity
- D. Cycle time

**Answer: A**

## Question: 3

The question below is based on the following illustration of product parts:



Which of the following items are components?

- A. Y and Z only
- B. 1, 2, and 3 only
- C. Y, Z, 1, 2, and 3 only
- D. X, Y, Z, 1, 2, and 3

**Answer: C**

### Question: 4

Which of the following factors would reduce inventory carrying costs?

- A. Ordering less inventory
- B. Higher costs of working capital
- C. Reducing ordering costs
- D. Reducing transportation costs

**Answer: A**

### Question: 5

Which of the following systems typically involves design while manufacturing is occurring?

- A. Flow
- B. Intermittent
- C. Project
- D. Engineer

**Answer: C**

### Question: 6

Which of the following phrases best defines a production plan?

- A. The plan for the production and purchase of the components used in making the items in the Master production schedule
- B. The broad direction of the firm, the kind of business-product lines, and markets the firm wants in The future
- C. The quantities of each product group that must be produced in each period, desired inventory levels, resources required in each period, and the availability of resources needed
- D. The flow of work through the factory through input/output analysis

**Answer: C**

### Question: 7

Which of the following differences must be taken into consideration when dealing with a global

Distribution system?

- A. Culture
- B. Cost
- C. Carriers
- D. Computer systems

**Answer: A**

### Question: 8

Which of the following considerations should be included in product design?

- A. Manufacturing strategy
- B. Product pricing
- C. Environmental sensitivity
- D. Target markets

**Answer: C**

### Question: 9

Which of the following outcomes is a benefit of using a purchase requisition?

- A. Purchase pricing being correct
- B. Improved accuracy of information
- C. Assurance that delivery dates are met
- D. Terms and conditions being followed

**Answer: B**

### Question: 10

Which of the following documents or records typically is required by accounting, receiving, purchasing, and the supplier?

- A. Bill of lading
- B. Purchase requisition
- C. Receiving report
- D. Purchase order

**Answer: D**

### Question: 11

Which of the following plans generally includes an organization's explicit mission, goals, and objectives, along with the specific actions needed to achieve those goals and objectives?

- A. Marketing
- B. Business
- C. Strategic
- D. Financial

**Answer: C**

### Question: 12

Which of the following smoothing constants places the most weight on the old forecast?

- A. 0.4
- B. 0.3
- C. 0.2
- D. 0.1

**Answer: D**

### Question: 13

A work center has 2 machines that are operated 16 hours a day for 5 days a week. Historically, The utilization has been 85% and the efficiency 105%. What is the rated capacity for this work center? (Rounded)

- A. 71
- B. 99
- C. 130
- D. 143

**Answer: D**

### Question: 14

Which of the following actions most likely will serve to reduce economic lot size?

- A. Decreasing the number of items
- B. Decreasing the unit cost of items
- C. Increasing the cost of ordering items
- D. Increasing the cost of carrying inventory

**Answer: D**

### Question: 15

After a quality improvement program has been successfully implemented, the greatest cost of Controlling quality typically is the cost of:

- A. failure.
- B. appraisal.
- C. prevention.
- D. inspection.

**Answer: C**

### Question: 16

Which of the following activities positions goods or services closer to the customer?

- A. Distribution
- B. Manufacturing
- C. Materials handling
- D. Transportation

**Answer: A**