***Supply Chain Management, 1e* (Stock)**

**Chapter 1 Supply Chain Management: Operations and Integration**

1) Supply chain management attempts to minimize costs and optimize customer satisfaction.

2) While supply chain automation can help companies improve customer satisfaction, it does not guarantee that a firm will be profitable or achieve sales goals.

3) Supply chain management includes the flow of goods and services, but not the flow of information, which is exclusively an information systems responsibility.

4) Supply chain management is another name for integrated logistics management.

5) The concept of supply chain management applies only to an individual firm and not many firms acting together.

6) Because supply chain management involves so many functions and processes within and between companies, executives in charge of SCM must be "boundary spanners."

7) Logistics management includes planning, implementation and control of finished goods only and does not include raw materials or work in process items.

8) Supply chain management attempts to optimize customer satisfaction while logistics management attempts to optimize customer service.

9) The most widely known and adopted model of the supply chain is the Forum Model developed by The Ohio State University.

10) Relative to other regions of the world, the United States is less efficient at logistics and supply chain management.

11) Developments of new and expanded technologies allow firms to link their operations globally.

12) In general, infrastructure improvements have not kept pace with increasing supply chain demands.

13) In the United States, spending on transportation and water infrastructure as a percentage of gross domestic product (GDP) has declined.

14) The Sarbanes-Oxley Act (SOX) is primarily concerned with ethics and legal misconduct of companies in the United States and impacts chief executive officers (CEOs) and chief financial officers (CFOs), but rarely impacts supply chain executives.

15) Businesses have to widen responsibility for managing supply chain risks so that these risks are considered across all parts of the company.

16) A "three strikes and you're out" policy with respect to vendor products that are either counterfeit or do not match specification is an example of cyber supply chain best practice.

17) Developing and implementing humanitarian supply chains is relatively easy compared to what is required to develop and implement supply chains for normal business operations.

18) The concept that "each firm in the supply chain must be focused on the customer and engaged in developing goods and services which optimize the customer's and the firm's experience" is a great concept in theory, but impossible to implement in practice.

19) After sale support, such as handling product returns in reverse logistics, is an important component in achieving acceptable levels of customer satisfaction.

20) In human resource management, well-defined policies and procedures are favored by millennials, while situations involving ambiguity are to be avoided.

21) According to the American Institute of Food Distribution, \_\_\_\_\_\_\_\_ is the holiday when Americans consume the most food on a single day.

A) Christmas

B) Mother's Day

C) Super Bowl

D) Thanksgiving

E) Valentine's Day

22) Which of the following industries/sectors would not use supply chain management principles and concepts?

A) Banks

B) Government agencies

C) Manufacturers

D) Retailers

E) All of these industries/sectors would utilize supply chain management principles and concepts.

23) All of the following functions or activities would be part of supply chain management except:

A) Collaboration efforts with suppliers

B) Logistics management

C) Manufacturing operations

D) Market research

E) Sourcing and procurement

24) Which of the following philosophies or orientations has had the least impact on the planning, implementation and control of supply chain management activities?

A) Economic order quantity (EOQ)

B) Efficient consumer response (ECR)

C) Continuous replenishment (CRP)

D) Just-in-time (JIT)

E) Total quality management (TQM)

25) Michael Porter introduced the \_\_\_\_\_\_\_\_ concept that provided a framework for organizations to develop competitive strategies, including those for supply chain management.

A) Integrated logistics management

B) Marketing concept

C) Scientific management

D) Total quality management (TQM)

E) Value chain

26) The approach implemented by Procter & Gamble that determines ordering patterns in the consumer goods industry based on distribution center withdrawals and sales data is referred to as \_\_\_\_\_\_\_\_.

A) Continuous replenishment

B) Distribution requirements planning (DRP)

C) Scientific management

D) Toyota production system

E) Universal product code (UPC)

27) As a component of supply chain management, logistics impacts a nation's economy in the following area(s):

A) Employment

B) Energy costs

C) Inflation

D) Interest rates

E) All of these areas are impacted by logistics.

28) Generally, logistics costs in the United States have \_\_\_\_\_\_\_\_ since the early-1980s.

A) Consistently decreased.

B) Consistently increased.

C) Increased during the first several years of the new millennium, but decreased during the recession of 2008-2009 and thereafter.

D) Decreased during the first several years of the new millennium, but increased during the recession of 2008-2009 and thereafter.

E) Stayed the same.

29) Smaller firms are more likely than larger firms to engage in \_\_\_\_\_\_\_\_ when expanding internationally.

A) Direct ownership

B) Exporting

C) Joint ventures

D) Licensing

E) All options are equally likely.

30) \_\_\_\_\_\_\_\_ is an environmental innovator. Their corporate vision emphasizes cost-consciousness and resource efficiency, extensive use of wood in their products, and training co-workers and engaging them in environmental issues.

A) Amazon

B) IBM

C) Ikea

D) Monsanto

E) Walmart

31) Which of the following potential consequence(s) is (are) the result of poor regulatory compliance management?

A) Additional duties and fines.

B) Products being held for longer periods of time in customs.

C) Loss of company reputation.

D) Additional duties and fines and products being held for longer periods of time in customs.

E) Additional duties and fines, products being held for longer periods of time in customs, and loss of company reputation.

32) In supply chain management, terrorism, weapons of mass destruction and Middle East instability would be examples of \_\_\_\_\_\_\_\_ risk.

A) Economic

B) Environmental

C) Geopolitical

D) Societal

E) Technological

33) At various times, congestion in West Coast ports in the United States can cause problems. Firms can respond to those delays in many ways. Limited Brands has adopted strategies to lessen the adverse impacts of those delays. Which of the following is not an example of their supply chain disruption strategy?

A) Notifying customers of potential delays resulting from port congestion.

B) Shifting freight to Seattle and Tacoma, away from Southern California.

C) Developed partnerships with carriers to handle freight movements from a variety of port locations.

D) Developed intermodal options for moving freight to inland locations.

E) All of the examples are options pursued by Limited Brands.

34) In the area of disaster preparedness and relief, one specific logistics and supply chain organization was formed to provide post-disaster humanitarian aid. The organization that was created was:

A) American Logistics Aid Network

B) Gulf Coast Hurricane Relief Effort

C) Red Cross Disaster Relief

D) Salvation Army Relief Network

E) Supply Chain Disaster Relief Initiative

35) Supply chain executives must be "boundary spanners." Which of the following skills would be of most importance to a supply chain executive?

A) Designing supply chains for strategic advantage, where innovation is vital to competitive advantage.

B) Developing and forging partnerships with individuals and organizations within the supply chain.

C) Implementing collaborative relationships, which will replace command-and-control relationships.

D) Managing information.

E) Measuring and managing prices and costs to make money.

36) Which of the following is the best type of supply chain leader?

A) A person who makes decisions with little to no input.

B) A person who makes decisions after receiving significant input from others.

C) A person who utilizes a team who make decisions with restrictions and the leader's oversight.

D) A person who utilizes fully empowered teams.

E) All of the options could be examples of approaches taken by good leaders.

37) The term that refers to changing processes, activities and functions in significant ways is typically called:

A) Continuous improvement

B) Marketing concept

C) Onboarding

D) Reengineering

E) Total quality management

38) Technological developments in supply chain management have had significant impacts. The developments can be either informational/analytical or physical. Which of the following would be considered a physical example of technology development?

A) Big data

B) Cloud storage

C) 3-D printing

D) Supply chain digitization

E) Both big data and cloud storage.

39) Which of the following statements is FALSE?

A) Advances in information systems and technology have allowed organizations to better manage their supply chains.

B) Communication is the vital link between members of the supply chain and between customers and the supply chain.

C) Increasing amounts of products are being sold to consumers and businesses via the Internet.

D) The Internet and electronic commerce have not changed the way companies do business and the way firms relate to customers and suppliers.

E) Traditional methods of managing the supply chain are proving inadequate in today's fast-paced economy and executives have been forced to innovate.

40) Which of the following statements is FALSE?

A) Calculating the financial costs and benefits associated with each supply chain member is relatively easy.

B) Few if any, supply chains are able to calculate the individual financial contributions of all supply chain members.

C) Metrics can be used to evaluate how effectively the supply chain is meeting end-user requirements and each enterprise's contribution to overall performance.

D) Supply chains should provide higher levels of customer service at lower costs than traditional forms of distribution.

E) Traditionally, organizations have focused on differentiating themselves and improving operational efficiencies by owning their entire supply chain.