

Question 1

An intermediary can increase the supply chain surplus by decreasing the number of relationships required between multiple buyers and sellers. This is called

- A) capacity aggregation.
- B) inventory aggregation.
- C) warehouse aggregation.
- D) relationship aggregation.

Answer: <https://biology-forums.com/index.php?topic=788209>

Question 2

_____ tend to be significant consumers of energy and water and emitters of waste and greenhouse gases and thus offer significant opportunities for profitable improvement.

- A) Employees
- B) Production processes
- C) Facilities
- D) Vehicles

Answer: <https://biology-forums.com/index.php?topic=788408>

Question 3

Between 1993 and 2006, Dell's competitive strategy was to provide a large variety of customizable products at a reasonable price. Given the focus on customization, Dell's supply chain was designed to

- A) be responsive.
- B) provide a different product.
- C) operate on a low-cost basis.
- D) provide sustainable products.

Answer: <https://biology-forums.com/index.php?topic=787237>

Question 4

What is the optimal order quantity?

- A) 2670 cups
- B) 17.8 cups
- C) 1335 cups
- D) 8.9 cups

Answer: <https://biology-forums.com/index.php?topic=787901>

Question 5

A contract where the buyer pays a minimal amount for each unit purchased from the supplier but shares a fraction of the revenue for each unit sold is a

- A) buyback or returns contract.
- B) revenue-sharing contract.
- C) quantity flexibility contract.
- D) quantity discount contract.

Answer: <https://biology-forums.com/index.php?topic=788230>

Question 6

Whether the optimal level of availability is high or low depends on where a particular company believes they can maximize profits.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788025>

Question 7

Price has traditionally been the only dimension that suppliers have been compared on during the process of

- A) procurement.
- B) sourcing.
- C) supplier scoring and assessment.
- D) supplier selection.

Answer: <https://biology-forums.com/index.php?topic=788217>

Question 8

Which of the following would result in an improvement in the C2C cycle for Katz if all other entries in their selected financial data were held constant?

- A) An increase in accounts payable turnover
- B) An increase weeks payable
- C) An increase in weeks receivable
- D) An increase in weeks in inventory

Answer: <https://biology-forums.com/index.php?topic=787276>

Question 9

Which of the following is an approach a company can use to create a buffer for forecast error using safety inventory?

- A) Overtime
- B) Carry extra workforce permanently
- C) Build and carry extra inventories
- D) Subcontracting

Answer: <https://biology-forums.com/index.php?topic=787693>

Question 10

Webvan designed a supply chain with large warehouses in several major cities in the United States, from which groceries were delivered to customer homes. They failed partly because of

- A) low demand for their service.
- B) slow inventory turnover compared to industry averages.
- C) higher labor costs for picking orders.
- D) poor quality products.

Answer: <https://biology-forums.com/index.php?topic=787137>

Question 11

What is the standard deviation of demand during lead time?

- A) 251 phones
- B) 2187 phones
- C) 4500 phones
- D) 4751 phones

Answer: <https://biology-forums.com/index.php?topic=787984>

Question 12

Serving a high density of customers at a long distance is best done using

- A) an LTL carrier.
- B) a cross dock distribution center with milk runs.
- C) a package carrier.
- D) a private fleet with milk runs.

Answer: <https://biology-forums.com/index.php?topic=788155>

Question 13

Faced with seasonal peaks, an effective revenue management tactic is to charge a higher price during the peak period and a higher price during off-peak periods.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788301>

Question 14

The use of differential pricing over time or customer segments to maximize profits from a limited set of supply chain assets is

- A) supply chain coordination.
- B) forecasting.
- C) aggregate planning.
- D) revenue management.

Answer: <https://biology-forums.com/index.php?topic=787308>

Question 15

Amazon uses different prices for the products that are purchased from the company — often for the speed of the shipping. What is the name of this pricing scheme?

- A) Everyday low pricing
- B) High-low pricing
- C) Fixed price
- D) Menu pricing

Answer: <https://biology-forums.com/index.php?topic=787324>

Question 16

Managers can encourage the bullwhip effect by devising pricing strategies that encourage retailers to order in smaller lots and reduce forward buying. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787808>

Question 17

In order to reap the greatest return from the online channel for physical goods, firms should

- A) maximize the return for each distinct supply chain member.
- B) minimize interactions between the buyer and the other supply chain members.
- C) integrate it with their existing supply chain networks.
- D) ensure that they have total ownership of the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787402>

Question 18

Use the information from Scenario 8.1 to determine the number of constraints in this scenario.

- A) 12
- B) 15
- C) 20
- D) 24

Answer: <https://biology-forums.com/index.php?topic=787679>

Question 19

An example of intrafunctional scope is that outsourcing a key component is reasonable if the savings in staying current in technology results in improved performance in other areas of R&D that permit improved overall performance.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787197>

Question 20

The professor's suitcase has room for 50 boxes of souvenirs. What is his expected profit?

- A) \$10,241
- B) \$11,975
- C) \$9,863
- D) \$8,127

Answer: <https://biology-forums.com/index.php?topic=788054>

Question 21

Revenue-sharing contracts counter double marginalization by decreasing the cost per unit charged to the retailer, thus effectively decreasing the cost of understocking.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788191>

Question 22

A facility that creates new products, processes, and technologies for the entire network is

- A) a lead facility.
- B) a source facility.
- C) a server facility.
- D) an outpost facility.

Answer: <https://biology-forums.com/index.php?topic=787451>

Question 23

Allocating too much capacity to a location results in

- A) poor utilization, and as a result, higher costs.
- B) high utilization, and as a result, higher costs.
- C) poor utilization, and as a result, lower costs.
- D) high utilization, and as a result, lower costs.

Answer: <https://biology-forums.com/index.php?topic=787436>

Question 24

Temporal aggregation decreases a firm's responsiveness because of shipping delay but also decreases transportation costs because of economies of scale that result from larger shipments.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788117>

Question 25

If demand is uncertain, a manufacturer can incentivize retailers to provide high levels of product availability by using

- A) high fixed costs.
- B) buyback contracts.
- C) low fixed costs.
- D) zero-cost contracts.

Answer: <https://biology-forums.com/index.php?topic=787839>

Question 26

All stages of an enterprise are involved, either directly or indirectly, in fulfilling a customer request.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787107>

Question 27

The processes included in the replenishment cycle include

- A) order arrival.
- B) production scheduling.
- C) retail trigger.
- D) manufacturing.

Answer: <https://biology-forums.com/index.php?topic=787159>

Question 28

The uncertainty that exists due to the portion of demand that the supply chain is required to meet is the

- A) rate of strategic uncertainty.
- B) demand uncertainty.
- C) implied demand uncertainty.
- D) average forecast error.

Answer: <https://biology-forums.com/index.php?topic=787221>

Question 29

Katz reports total revenue of \$245,600, cost of goods sold of \$18,950 and net income of \$121,000. Their total assets are \$585,000 and total liabilities are \$250,000. What is their return on equity (ROE)?

- A) 36.12%
- B) 48.40%
- C) 20.68%
- D) 41.98%

Answer: <https://biology-forums.com/index.php?topic=787273>

Question 30

Operational improvements that reduce lot sizes can dampen the bullwhip effect by

- A) decreasing the uncertainty of demand during the lead time.
- B) decreasing the amount of fluctuation that can accumulate between any pair of stages of a supply chain.

C) discouraging retailers from artificially inflating their orders in the case of a shortage.
D) allocating the available supply based on past retailer sales.

Answer: <https://biology-forums.com/index.php?topic=787834>

Question 31

Which of the following is a disadvantage of distributor storage with carrier delivery?

- A) Information infrastructure is simpler than manufacturer storage.
- B) Response time is faster than with manufacturer storage.
- C) Returnability is easier than with manufacturer storage.
- D) Product variety is lower than with manufacturer storage.

Answer: <https://biology-forums.com/index.php?topic=787378>

Question 32

Which type of contract is used when agents act on behalf of a principal and the dealer's margin is set to be the same as the supply chain margin, and the dealer exerts the right amount of effort?

- A) Buyback or returns contract
- B) Revenue-sharing contract
- C) Quantity flexibility contract
- D) Two-part tariffs

Answer: <https://biology-forums.com/index.php?topic=788235>

Question 33

When a single stage controls replenishment decisions for the entire chain, the problem of multiple forecasts is magnified and coordination within the supply chain follows.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787805>

Question 34

Explain the role of each of the major drivers of supply chain performance.

Answer: <https://biology-forums.com/index.php?topic=787328>

Question 35

Firms can significantly reduce the safety inventory they require by physically aggregating inventories in one location, which will also decrease transportation cost.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788116>

Question 36

Supplier performance must be rated on many different factors because

- A) the factors impact the total supply chain cost.
- B) the factors minimize the supply chain involvement.
- C) the factors reduce the impact of price.
- D) the factors maximize the supply chain price.

Answer: <https://biology-forums.com/index.php?topic=788202>

Question 37

Describe the four phases in the framework for network design decisions.

Answer: <https://biology-forums.com/index.php?topic=787482>

Question 38

Offering a promotion during a peak period that has significant forward buying creates even more variable demand than before the promotion.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787727>

Question 39

A high level of product availability requires _____, which raises supply chain costs.

- A) large inventories
- B) increased revenues
- C) reduced costs
- D) understocking the product

Answer: <https://biology-forums.com/index.php?topic=788049>

Question 40

Which of these statements about distribution networks is best?

- A) A manufacturer that owns their own distribution network cannot control the network's actions.
- B) Customers are willing to have a relationship built around high value, specialized products.
- C) Distribution networks that have identical physical flows but different ownership structures have identical performance.
- D) It is important to have static distribution networks.

Answer: <https://biology-forums.com/index.php?topic=787401>

Question 41

Suppose the café wishes to erase any hint of impropriety and wants to peg their service level at 99%. How many days of safety inventory they should carry?

- A) 4.77 days
- B) 5.12 days
- C) 5.33 days
- D) 5.67 days

Answer: <https://biology-forums.com/index.php?topic=787995>

Question 42

Which of the following is a characteristic of a facility with excess capacity?

- A) Will likely be more efficient per unit of product it produces than one with a lot of unused capacity
- B) Would be very flexible and respond to wide swings in the demands placed on it
- C) Would be considered a high utilization facility
- D) Will have difficulty responding to demand fluctuations

Answer: <https://biology-forums.com/index.php?topic=787288>

Question 43

Firms focusing on responsiveness tend to

- A) locate facilities close to the market they serve.
- B) locate facilities very far from the market they serve.
- C) find the lowest cost location for their manufacturing facilities.
- D) select a high-cost location to be able to react slowly.

Answer: <https://biology-forums.com/index.php?topic=787445>

Question 44

Concerns related to the environment and sustainability

- A) are becoming less important to the consuming public.
- B) are sometimes dictated by regulations and sometimes by perception.
- C) result in increased cost for the supply chain.
- D) are relevant to only the retail member of each supply chain.

Answer: <https://biology-forums.com/index.php?topic=787253>

Question 45

The components needed to produce a computer clock cost twenty-five cents. What should the price of the computer clocks be in the third month of the selling season?

- A) \$14.52
- B) \$10.13
- C) \$7.27
- D) \$5.68

Answer: <https://biology-forums.com/index.php?topic=788345>

Question 46

Total ordering and holding costs

- A) are relatively stable.
- B) are relatively stable around the economic order quantity.
- C) are relatively unstable around the economic order quantity.
- D) are unstable.

Answer: <https://biology-forums.com/index.php?topic=787900>

Question 47

A labor dispute is a risk driver to be considered during network design. What category does a "labor dispute" belong to?

- A) Disruptions
- B) Inventory risk
- C) Systems risk
- D) Capacity risk

Answer: <https://biology-forums.com/index.php?topic=787517>

Question 48

What is the difference in order quantity and profit achieved if George and The Jerk Store act independently versus if they behaved as a vertically integrated supply chain?

Answer: <https://biology-forums.com/index.php?topic=788251>

Question 49

The main advantage of simulation models is that they can provide low-cost evaluations of complex situations.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787502>

Question 50

The authors cite IKEA as achieving an intercompany scope of strategic fit which serves to

- A) minimize IKEA's costs.
- B) align the strategic fit with the consumer surplus.
- C) minimize the costs of all supply chain elements.
- D) increase the supply chain surplus.

Answer: <https://biology-forums.com/index.php?topic=787245>

Question 51

Hotels use differential pricing by day of week and time of year

- A) in order to shift demand from peak periods to off-peak periods.
- B) in order to increase demand during off-peak periods.
- C) in order to shift revenue from peak periods to off-peak periods.
- D) in order to shift profit from peak periods to off-peak periods.

Answer: <https://biology-forums.com/index.php?topic=788349>

Question 52

Formulate the aggregate plan using linear programming.

Answer: <https://biology-forums.com/index.php?topic=787708>

Question 53

Forecasting errors are dealt with using

- A) safety backlog.
- B) safety capacity.
- C) safety inventory.
- D) B and C only

Answer: <https://biology-forums.com/index.php?topic=787690>

Question 54

Inventory held to satisfy demand that is higher than forecasted is

- A) safety backlog.
- B) safety capacity.

- C) safety inventory.
- D) safety sales.

Answer: <https://biology-forums.com/index.php?topic=787691>

Question 55

Consumers prefer purchasing commoditized products at a one-stop shop.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787351>

Question 56

Supply chain network design decisions classified as market and supply allocation are concerned with

- A) what processes are performed at each facility.
- B) where facilities should be located.
- C) how much capacity should be allocated to each facility.
- D) what markets each facility should serve and which supply sources should feed each facility.

Answer: <https://biology-forums.com/index.php?topic=787432>

Question 57

A global supply chain with offshoring would tend to see which of these performance dimensions decrease?

- A) Working capital
- B) Hidden costs
- C) Supply chain visibility
- D) Product returns

Answer: <https://biology-forums.com/index.php?topic=787513>

Question 58

For individuals and firms to focus on sustainability, it is crucial that they

- A) reject the model of maximization of shareholder wealth as the firm objective.
- B) adhere to ISO 14000 standards.
- C) internalize the monetary value of the social/environmental cost of their actions.
- D) include language in the corporate mission, vision, and values statements about sustainability.

Answer: <https://biology-forums.com/index.php?topic=788434>

Question 59

Buyback contracts counter double marginalization by lowering the cost of overstocking for the retailer.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788190>

Question 60

What factors should be considered when making sourcing decisions?

Answer: <https://biology-forums.com/index.php?topic=788247>

Question 61

A high level of product availability requires

- A) large inventories and tends to raise costs for the supply chain.
- B) large inventories and tends to reduce costs for the supply chain.
- C) small inventories and tends to raise costs for the supply chain.
- D) small inventories and tends to reduce costs for the supply chain.

Answer: <https://biology-forums.com/index.php?topic=788043>

Question 62

The bullwhip effect

- A) positively impacts performance at every stage.
- B) hurts the relationships between different stages of the supply chain.
- C) enhances the relationships between different stages of the supply chain.
- D) results in improved on-time order delivery.

Answer: <https://biology-forums.com/index.php?topic=787817>

Question 63

The replenishment decision in a VMI system is owned by the

- A) manufacturer.
- B) retailer.
- C) customer.
- D) cloud.

Answer: <https://biology-forums.com/index.php?topic=787844>

Question 64

A supply chain needs to achieve a balance between the level of availability and the cost of inventory that maximizes supply chain revenues. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788024>

Question 65

The bullwhip effect decreases

- A) transportation cost.
- B) profitability.
- C) replenishment lead time.
- D) shipping and receiving cost.

Answer: <https://biology-forums.com/index.php?topic=787816>

Question 66

A facility that serves the role of being a low-cost supply source for markets located outside the country where the facility is located is

- A) an offshore facility.
- B) a source facility.
- C) a contributor facility.
- D) an outpost facility.

Answer: <https://biology-forums.com/index.php?topic=787446>

Question 67

A graph with two axes with implied uncertainty along the horizontal axis and responsiveness along the vertical axis is referred to as the

- A) implied uncertainty spectrum.
- B) responsiveness spectrum.
- C) uncertainty/responsiveness map.
- D) zone of strategic fit.

Answer: <https://biology-forums.com/index.php?topic=787232>

Question 68

An order from a lower price buyer should be accepted if the expected revenue from a higher price buyer is lower than the current revenue from the lower price buyer.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788291>

Question 69

_____ carriers offer a very fast and fairly expensive mode of transportation for cargo.

- A) Air
- B) Truck
- C) Rail
- D) Water

Answer: <https://biology-forums.com/index.php?topic=788129>

Question 70

Almost 40 percent of _____ could be achieved at negative marginal costs, meaning that investing in these options would generate positive economic returns over their life cycle.

- A) greenhouse gas abatement
- B) fuel consumption initiatives

- C) increased customer base
- D) improved company reputation

Answer: <https://biology-forums.com/index.php?topic=788391>

Question 71

With the _____ view, firms attempt to align all operations within a function. In this view, all supply chain functions including sourcing, manufacturing, warehousing, and transportation must align their strategy to minimize total functional cost.

- A) Intrafunctional scope
- B) Intraoperation scope
- C) Interfunctional scope
- D) Intercompany scope

Answer: <https://biology-forums.com/index.php?topic=787241>

Question 72

Unless adding a supplier with a unique and valuable capability clearly adds to total cost, the firm's supply base may be too small.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788188>

Question 73

Which transportation network design option establishes an extra layer between suppliers and retailers to store inventory and to serve as a transfer location?

- A) Direct shipping network
- B) Direct shipping with milk runs
- C) All shipments via central DC
- D) Shipping via DC using milk runs

Answer: <https://biology-forums.com/index.php?topic=788144>

Question 74

What is the bullwhip effect and how does it relate to lack of coordination in the supply chain?

Answer: <https://biology-forums.com/index.php?topic=787860>

Question 75

A firm can vary supply of product by controlling

- A) revenue.
- B) pricing.
- C) demand.
- D) capacity.

Answer: <https://biology-forums.com/index.php?topic=787743>

Question 76

Supply chain network design decisions include

- A) only the location of manufacturing, storage, or transportation-related facilities.
- B) only the allocation of capacity and roles to each facility.
- C) both the location of manufacturing, storage, or transportation-related facilities and the allocation of capacity and roles to each facility.
- D) neither the location of manufacturing, storage, or transportation-related facilities nor the allocation of capacity and roles to each facility.

Answer: <https://biology-forums.com/index.php?topic=787428>

Question 77

The planning horizon is

- A) the time period over which the aggregate plan is to produce a solution.
- B) the duration of each time period in the aggregate plan.
- C) the length of time required to produce the aggregate plan.
- D) the solution to the aggregate plan.

Answer: <https://biology-forums.com/index.php?topic=787664>

Question 78

Decision tree analysis is based on Bellman's principle, which states that for any choice of strategy in a given state,

- A) the optimal strategy is the one that is selected if the entire analysis is assumed to begin in the first period.
B) the optimal strategy is the one that is selected if the entire analysis is assumed to begin in the last period.
C) the optimal strategy in the next period is the one that is selected if the entire analysis is assumed to begin in the last period.
D) the optimal strategy in the next period is the one that is selected if the entire analysis is assumed to begin in the next period.

Answer: <https://biology-forums.com/index.php?topic=787534>

Question 79

Explain the two situations in which managers use network design models.

Answer: <https://biology-forums.com/index.php?topic=787483>

Question 80

To extract the maximum benefit from the online channel for physical goods, firms should keep it separate from their existing supply chain networks. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787352>

Question 81

What safety stock should be held to put the fill rate at 0.99?

- A) 251 phones
B) 145 phones
C) 0 phones
D) 100 phones

Answer: <https://biology-forums.com/index.php?topic=787988>

Question 82

Pricing can be used to

- A) change available supply.
B) reduce supply chain costs.
C) influence demand if customers are price sensitive.
D) all of the above

Answer: <https://biology-forums.com/index.php?topic=788312>

Question 83

Which of the following statements about pull processes is accurate?

- A) They may also be referred to as speculative processes.
B) Execution is initiated in anticipation of customer orders.
C) At the time of execution, demand must be forecast.
D) They may also be referred to as reactive processes.

Answer: <https://biology-forums.com/index.php?topic=787168>

Question 84

Which component of the supply chain decision-making framework would be used to reach the performance level dictated by the supply chain strategy?

- A) Customer strategy
B) Supply chain strategy
C) Supply chain structure
D) Competitive strategy

Answer: <https://biology-forums.com/index.php?topic=787287>

Question 85

Suppose the contractor has found some materials on Craigslist that can drop the construction cost of a large facility to \$1,500,000. These materials cannot be used in the construction of the small facility, so its price remains as indicated in Scenario 6.1. Determine the likelihood of high demand that would make the decision maker indifferent between the two alternatives for a two year time period.

- A) 1.0
B) 0.72
C) 0.92
D) 0.86

Answer: <https://biology-forums.com/index.php?topic=787547>

Question 86

If each Jerk Store location is acting independently, what is their expected profit if they stock an optimal quantity?

- A) \$13,521
- B) \$13,840
- C) \$16,680
- D) \$16,789

Answer: <https://biology-forums.com/index.php?topic=788238>

Question 87

How many donkeys should the cruise line have in its herd?

- A) 8,111
- B) 7,977
- C) 7,842
- D) 7,707

Answer: <https://biology-forums.com/index.php?topic=788353>

Question 88

It is more common for a manufacturer to not own the distribution network.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787350>

Question 89

What is the best order quantity for Nathan to use?

- A) 5,477
- B) 5,505
- C) 10,000
- D) 5,491

Answer: <https://biology-forums.com/index.php?topic=787931>

Question 90

Only niche companies will end up using a single distribution network.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787342>

Question 91

The second step in achieving strategic fit between competitive and supply chain strategies is to

- A) understand the supply chain and map it on the responsiveness spectrum.
- B) understand customers and supply chain uncertainty.
- C) match supply chain responsiveness with the implied uncertainty of demand.
- D) ensure that all functional strategies within the supply chain support the supply chain's level of responsiveness.

Answer: <https://biology-forums.com/index.php?topic=787224>

Question 92

The capacity management approach where a firm builds facilities to produce a relatively stable output of products over time in a very efficient manner and facilities to produce a widely varying volume and variety of products, but at a higher unit cost is

- A) time flexibility from workforce.
- B) the use of seasonal workforce.
- C) the use of subcontracting.
- D) the use of dual facilities—dedicated and flexible.

Answer: <https://biology-forums.com/index.php?topic=787753>

Question 93

One advantage of a carbon tax system over a cap and trade system is

- A) the carbon tax system is less expensive.
- B) the carbon tax system is more expensive.
- C) that emissions under the cap and trade system cannot be monitored by outside agencies.

D) the carbon tax system displays more price stability.

Answer: <https://biology-forums.com/index.php?topic=788439>

Question 94

Understanding the impact of incentives on the actions of a supply chain partner is especially important when

- A) there are two or more members in the supply chain.
- B) the third party's actions are not fully observable.
- C) more than two firms competing for the same pool of customers.
- D) the supply chain uses outsourcing.

Answer: <https://biology-forums.com/index.php?topic=788242>

Question 95

Strategic planning and financial planning

- A) should be performed independently during supply chain network design.
- B) should be performed sequentially during supply chain network design.
- C) should be performed concurrently during supply chain network design.
- D) should be combined during supply chain network design.

Answer: <https://biology-forums.com/index.php?topic=787552>

Question 96

Incentive obstacles refer to situations where incentives offered to different stages or participants in a supply chain lead to actions that increase variability and reduce total supply chain profits.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787796>

Question 97

Rail is the dominant mode of freight transportation in the United States and accounts for over 75 percent of the nation's freight bill.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788108>

Question 98

Describe the two key factors that influence the optimal level of product availability within a supply chain.

Answer: <https://biology-forums.com/index.php?topic=788093>

Question 99

The curve that shows the lowest possible cost for a given level of responsiveness is referred to as the

- A) supply chain responsiveness curve.
- B) supply chain efficiency curve.
- C) cost-responsiveness efficient frontier.
- D) responsiveness spectrum.

Answer: <https://biology-forums.com/index.php?topic=787230>

Question 100

As forward buying becomes a smaller fraction of the demand increase from a promotion, it is less profitable to promote during the peak period.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787729>

Question 101

Which approach to capacity management may be hard to sustain if the labor market is tight?

- A) Time flexibility from workforce
- B) Use of seasonal workforce
- C) Use of subcontracting
- D) Use of dual facilities—dedicated and flexible

Answer: <https://biology-forums.com/index.php?topic=787755>

Question 102

The most significant sourcing decision for a firm is

- A) whether to locate a plant close to customers or locate a plant close to sources of raw materials or suppliers.
- B) whether to use highly automate processes or manual labor.
- C) whether to use traditional inventory methods or adopt a just in time approach to stocking.
- D) whether to perform a task in-house or outsource it to a third party.

Answer: <https://biology-forums.com/index.php?topic=787315>

Question 103

_____ allows a firm to increase profits and better match supply and demand if the firm produces a large variety of products whose demand is unpredictable, not positively correlated, and is of about the same size.

- A) Shortened forecasting window
- B) Quick response
- C) Postponement
- D) Tailored sourcing

Answer: <https://biology-forums.com/index.php?topic=788078>

Question 104

Manufacturer-driven substitution increases overall profitability for the manufacturer by allowing some aggregation of demand, which reduces the inventory requirements for the same level of availability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787956>

Question 105

The procurement process for indirect materials should focus on

- A) improving coordination and visibility with the supplier.
- B) decreasing the transaction cost for each order.
- C) consolidation of orders to take advantage of economies of scale and quantity discounts.
- D) minimizing communication with the supplier.

Answer: <https://biology-forums.com/index.php?topic=788244>

Question 106

Which of these examples ripped from the headlines of business periodicals is most accurate?

- A) Netflix has two content delivery systems that are inexpensive to operate.
- B) Blockbuster's reliance on streaming services was overwhelmed by a lack of bandwidth at the dawn of the 21st century.
- C) Once an increase in demanded customization seized the market, Dell was unable to rely on its retail store strategy.
- D) Redbox's reliance on streaming services ended Dell's run as a leader in the industry.

Answer: <https://biology-forums.com/index.php?topic=787252>

Question 107

In volume-based tailored sourcing, the predictable part of a product's demand is produced at a flexible facility, whereas the uncertain portion is produced at an efficient facility.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788038>

Question 108

Promoting during a peak demand month may decrease overall profitability if

- A) a small fraction of the demand increase results from a forward buy.
- B) any of the demand increase results from a forward buy.
- C) a significant fraction of the demand increase results from a forward buy.
- D) none of the above

Answer: <https://biology-forums.com/index.php?topic=787778>

Question 109

Actions taken in the course of placing and filling orders that lead to an increase in variability are referred to as

- A) incentive obstacles.
- B) information processing obstacles.
- C) operational obstacles.

D) pricing obstacles.

Answer: <https://biology-forums.com/index.php?topic=787829>

Question 110

As the number of facilities in a supply chain increases

- A) the inventory and resulting inventory costs also increase.
- B) the inventory and resulting inventory costs decrease.
- C) the inventory increases and resulting inventory costs decrease.
- D) the inventory decreases and resulting inventory costs increase.

Answer: <https://biology-forums.com/index.php?topic=787365>

Question 111

The level of product availability, also referred to as the _____, is one of the primary measures of a supply chain's responsiveness.

- A) no stock out level
- B) reliability level
- C) customer service level
- D) logistics measure

Answer: <https://biology-forums.com/index.php?topic=788046>

Question 112

The role of sourcing planning and analysis is

- A) to analyze spending across various suppliers and component categories to identify opportunities for decreasing the total cost.
- B) to analyze spending across various suppliers and component categories to identify opportunities for increasing the total cost.
- C) to enable orders to be placed and delivered on schedule at the lowest possible overall cost.
- D) to enable orders to be placed and delivered on schedule regardless of cost.

Answer: <https://biology-forums.com/index.php?topic=788219>

Question 113

The cycle view of a supply chain holds that the processes in a supply chain are divided into 2 categories depending on whether they are initiated in response to or in anticipation of customer orders.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787119>

Question 114

The capacity management approach that uses a temporary workforce during the peak season to increase capacity to match demand is

- A) time flexibility from workforce.
- B) the use of seasonal workforce.
- C) the use of subcontracting.
- D) the use of dual facilities—dedicated and flexible.

Answer: <https://biology-forums.com/index.php?topic=787750>

Question 115

Use a simple moving average of three periods to forecast the demand for July. What is the forecast?

- A) 67
- B) 58
- C) 48.5
- D) 45.3

Answer: <https://biology-forums.com/index.php?topic=787613>

Question 116

As the replenishment lead time from a supplier grows, the amount of safety inventory that needs to be held by the buyer also grows in direct proportion to the replenishment lead time.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788181>

Question 117

Safety inventory is inventory carried for the purpose of satisfying demand that exceeds the amount forecasted for a given period.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787941>

Question 118

Which distribution network design is similar to pure drop-shipping, except that pieces of the order coming from different locations are combined so that the customer gets a single delivery?

- A) Manufacturer storage with direct shipping
- B) Manufacturer storage with direct shipping and in-transit merge
- C) Distributor storage with package carrier delivery
- D) Distributor storage with manufacturer pickup

Answer: <https://biology-forums.com/index.php?topic=787373>

Question 119

Tying allocation to past sales removes any incentive a retailer may have to inflate orders, as a result dampening the bullwhip effect.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787807>

Question 120

These two companies have also set aggressive targets for their suppliers to improve overall supply chain sustainability.

- A) Walmart and IKEA
- B) IBM and 3M
- C) Mattel and Hasbro
- D) Apple and Starbucks

Answer: <https://biology-forums.com/index.php?topic=788424>

Question 121

What is the optimal total cost of the aggregate plan developed to address Scenario 8.1?

- A) \$16,700
- B) \$18,950
- C) \$18,450
- D) \$16,250

Answer: <https://biology-forums.com/index.php?topic=787683>

Question 122

A carrier uses transportation to minimize the total cost (transportation, inventory, information, and facility) while providing an appropriate level of responsiveness to the customer.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788103>

Question 123

The most important operational decision related to transportation in a supply chain is the routing and scheduling of deliveries.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788112>

Question 124

Quasi-market prices for transportation infrastructure result in higher prices at peak locations and times and lower prices otherwise.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788109>

Question 125

In reality, demand and prices are highly uncertain and are likely to fluctuate during the life of any supply chain decision.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787497>

Question 126

A company's product development strategy

- A) defines the set of customer needs that it seeks to satisfy through its products and services.
B) specifies the portfolio of new products that it will try to develop.
C) specifies how the market will be segmented and how the product will be positioned, priced, and promoted.
D) determines the nature of procurement and transportation of materials as well as manufacture and distribution of the product.

Answer: <https://biology-forums.com/index.php?topic=787210>

Question 127

Discuss the differences of push and pull supply chain processes.

Answer: <https://biology-forums.com/index.php?topic=787183>

Question 128

What are some of the benefits of effective sourcing decisions?

Answer: <https://biology-forums.com/index.php?topic=788246>

Question 129

Mickey the manager reviewed his company's customers' orders for the past year and compared the variability of those orders with the variability of the orders he placed with his suppliers. This comparison allowed him to estimate his own company's contribution to

- A) the forecast.
B) supply chain surplus.
C) market demand.
D) the bullwhip effect.

Answer: <https://biology-forums.com/index.php?topic=787856>

Question 130

Discuss the relationship between transportation strategy and competitive strategy.

Answer: <https://biology-forums.com/index.php?topic=788174>

Question 131

In adaptive forecasting,

- A) there is an assumption that the estimates of level, trend, and seasonality within the systematic component do not vary as new demand is observed.
B) the estimates of level, trend, and seasonality within the systematic component are not adjusted as new demand is observed.
C) the estimates of level, trend, and seasonality are updated after each demand observation.
D) All of the above are true.

Answer: <https://biology-forums.com/index.php?topic=787609>

Question 132

In a complex decision tree there are

- A) only a few possible paths that may result from the first period to the last.
B) less than thirty possible paths that may result from the first period to the last.
C) thousands of possible paths that may result from the first period to the last.
D) an infinite number of possible paths that may result from the first period to the last.

Answer: <https://biology-forums.com/index.php?topic=787539>

Question 133

Transforming forecasts into plans of activity to satisfy the projected demand is known as

- A) supply chain coordination.
B) forecasting.
C) aggregate planning.
D) revenue management.

Answer: <https://biology-forums.com/index.php?topic=787306>

Question 134

Product fill rate is the fraction of product demand that is satisfied from product in inventory.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787946>

Question 135

The customer order cycle occurs at the

- A) customer/retailer interface.
- B) retailer/distributor interface.
- C) distributor/manufacturer interface.
- D) manufacturer/supplier interface.

Answer: <https://biology-forums.com/index.php?topic=787150>

Question 136

To create a win-win negotiation, the two parties must

- A) guarantee each other an agreed upon level of business.
- B) identify more than one issue to negotiate.
- C) identify an impartial mediator to oversee the negotiations.
- D) possess an equivalent level of power.

Answer: <https://biology-forums.com/index.php?topic=788227>

Question 137

Responding to customer complaints (primarily from period 1 purchasers) the student APICS chapter decides to use static pricing over the four month season. What is the total revenue for the season's sales at the optimal price?

- A) \$49,490.00
- B) \$494,747.50
- C) \$50,000.00
- D) \$50,247.50

Answer: <https://biology-forums.com/index.php?topic=788343>

Question 138

A key to reducing cycle inventory is the reduction of lot size.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787876>

Question 139

Discounted cash flow (DCF) analysis evaluates the present value of any stream of future cash flows and allows management to compare two streams of cash flows in terms of their financial value.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787494>

Question 140

The required safety inventory

- A) increases with an increase in the lead time and the standard deviation of periodic demand.
- B) decreases with an increase in the lead time and the standard deviation of periodic demand.
- C) remains stable with an increase in the lead time and the standard deviation of periodic demand.
- D) increases with a decrease in the lead time and the standard deviation of periodic demand.

Answer: <https://biology-forums.com/index.php?topic=787974>

Question 141

Discuss the two key players involved in any transportation in the supply chain.

Answer: <https://biology-forums.com/index.php?topic=788171>

Question 142

With periodic review, inventory status is checked at regular intervals and an order is placed to raise the inventory level to a specified threshold.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787947>

Question 143

For commodity products where price is set by the market, manufacturers can use lot size based quantity discounts to achieve coordination in the

supply chain and decrease supply chain cost.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787881>

Question 144

Which of the following customer needs will cause implied uncertainty of demand to increase?

- A) Product margin
- B) Lead time decreases
- C) Average stockout rate
- D) Average forced season end markdown

Answer: <https://biology-forums.com/index.php?topic=787222>

Question 145

A company's competitive strategy

- A) defines the set of customer needs that it seeks to satisfy through its products and services.
- B) specifies the portfolio of new products that it will try to develop.
- C) specifies how the market will be segmented and how the product will be positioned, priced, and promoted.
- D) determines the nature of procurement and transportation of materials as well as manufacture and distribution of the product.

Answer: <https://biology-forums.com/index.php?topic=787204>

Question 146

To improve overall profits, the supplier must design a contract that requires the buyer to share in some of the supplier's demand uncertainty.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788189>

Question 147

The diner orders at the economic order quantity but an analysis of dates on the cans of peas revealed that the flow time was actually 5 weeks. A quick check revealed that the computer had automatically adjusted up the economic order quantity as demand had risen during the past few months. What is the new weekly demand for English peas?

- A) 234 half cups
- B) 78 half cups
- C) 312 half cups
- D) 156 half cups

Answer: <https://biology-forums.com/index.php?topic=787906>

Question 148

Discuss the impact of promotion on demand within a supply chain.

Answer: <https://biology-forums.com/index.php?topic=787787>

Question 149

List and define the six major drivers of supply chain performance.

Answer: <https://biology-forums.com/index.php?topic=787325>

Question 150

Retailers of all sizes can explore CPFR as a strategic option, but in order to be scalable, _____ is needed.

- A) a process
- B) labor
- C) money
- D) technology

Answer: <https://biology-forums.com/index.php?topic=787855>

Question 151

The two major types of facilities are production sites and storage sites.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787260>

Question 152

Which of the following is an approach that firms can use when managing inventory to meet predictable demand variability?

- A) Time flexibility from workforce
- B) Use of seasonal workforce
- C) Use of subcontracting
- D) Using common components across multiple products

Answer: <https://biology-forums.com/index.php?topic=787764>

Question 153

The value chain in a company begins with

- A) the customer.
- B) marketing and sales.
- C) new product development.
- D) operations.

Answer: <https://biology-forums.com/index.php?topic=787206>

Question 154

Which set of supply chain flows is correctly described?

- A) Funds flow only upstream but information flows both upstream and downstream in a supply chain.
- B) Product flows only downstream and information flows only upstream in a supply chain.
- C) Information and product both flow upstream and downstream in a supply chain.
- D) Funds flow both upstream and downstream but product flows only downstream in a supply chain.

Answer: <https://biology-forums.com/index.php?topic=787128>

Question 155

What is an explanation offered for why firms have not historically tracked stockouts very well?

- A) There is no agreed upon definition of stockouts.
- B) There is no way to track stockouts.
- C) Stockouts occur after the fact.
- D) Stockouts are difficult to track.

Answer: <https://biology-forums.com/index.php?topic=788012>

Question 156

Trade promotions lead to a significant _____ in lot size and cycle inventory because of forward buying by the _____.

- A) decrease, retailer
- B) increase, retailer
- C) decrease, supplier
- D) increase, supplier

Answer: <https://biology-forums.com/index.php?topic=787923>

Question 157

Which of the following uses transportation to minimize the total cost (transportation, inventory, information, and facility) while providing an appropriate level of responsiveness to the customer?

- A) The shipper
- B) The supplier
- C) The manufacturer
- D) The carrier

Answer: <https://biology-forums.com/index.php?topic=788125>

Question 158

There is greater environmental impact in the extended supply chain than there is within the main plant for most manufacturers.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788381>

Question 159

The measure of forecast error where the absolute amount of error of each forecast is averaged is

- A) mean squared error (MSE).
- B) mean absolute deviation (MAD).
- C) mean absolute percentage error (MAPE).
- D) bias.

Answer: <https://biology-forums.com/index.php?topic=787619>

Question 160

One motivation for companies to shed noncore functions to their supply chains has been to

- A) increase supply chain membership and participation.
- B) increase supply chain complexity to ease supply chain alignment.
- C) maximize focus on local objectives.
- D) take advantage of supplier and customer competencies that they did not possess.

Answer: <https://biology-forums.com/index.php?topic=787251>

Question 161

The market for carbon allowances

- A) does not exist in a hybrid cap and trade system.
- B) is a key element of a carbon tax system.
- C) can result in a heavier polluter buying allowances from a company with lower carbon output.
- D) is set by the regulatory authority.

Answer: <https://biology-forums.com/index.php?topic=788438>

Question 162

A reduction in supply can help dramatically reduce safety inventory required without hurting product availability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787952>

Question 163

Scope of strategic fit refers to both the

- A) function within the firm and the satisfaction of the customer.
- B) satisfaction of the customer and the profits returned to the shareholders.
- C) function within the firm and stages across the supply chain.
- D) profits returned to the shareholders and the stages across the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787244>

Question 164

The high utilization facility will have difficulty responding to demand fluctuations.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787264>

Question 165

In this approach to managing capacity, a firm has flexible production lines whose production rate can easily be varied.

- A) Time flexibility from workforce
- B) Use of subcontracting
- C) Designing product flexibility into the production processes
- D) Use of seasonal workforce

Answer: <https://biology-forums.com/index.php?topic=787747>

Question 166

The cycle view of a supply chain holds that

- A) the processes in a supply chain are divided into 2 categories.
- B) the processes in a supply chain are divided into a series of activities performed at the interface between successive stages.
- C) all processes in a supply chain are initiated in response to a customer order.
- D) all processes in a supply chain are performed in anticipation of customer orders.

Answer: <https://biology-forums.com/index.php?topic=787147>

Question 167

Quantity discounts lower the unit cost and tend to increase the required batch size.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788184>

Question 168

_____ is a mechanism that constrains the aggregate emissions by creating a limited number of tradeable emission allowances, which emission sources must secure and surrender in proportion to their emissions.

- A) Command-and-control
- B) Cap-and-trade
- C) Cap-and-control
- D) Emissions tax

Answer: <https://biology-forums.com/index.php?topic=788397>

Question 169

The lower the coefficient of variation of an item, the greater the reduction in safety inventories as a result of centralization.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787955>

Question 170

What is the descriptive term for demand that occurs not in a steady stream of single units but in periodic large lots?

- A) Batch
- B) Bulky
- C) Lumpy
- D) Polled

Answer: <https://biology-forums.com/index.php?topic=788011>

Question 171

Customer order entry is

- A) the point in time when the customer has access to choices and makes a decision regarding a purchase.
- B) the customer informing the retailer of what they want to purchase and the retailer allocating product to the customer.
- C) the process where product is prepared and sent to the customer.
- D) the process where the customer receives the product and takes ownership.

Answer: <https://biology-forums.com/index.php?topic=787153>

Question 172

Activities involved in the Supplier Relationship Management (SRM) macro process include

- A) planning of internal production and storage.
- B) order fulfillment.
- C) supplier evaluation and selection.
- D) order management.

Answer: <https://biology-forums.com/index.php?topic=787174>

Question 173

Simple awareness of what your own electricity consumption is usually reduces a consumer's electricity use by between 10% and 15%.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788382>

Question 174

A manufacturer of cat towers wishes to locate a super assembly facility to meet their cat tower assembly needs for the next millennium. Currently, carpet, cylinders, yarn and fasteners are purchased in bulk from suppliers in North Haverbrook, Ogden, and Springfield in the quantities shown in the table. The super assembly facility would ship to distribution centers located in Seattle, Lubbock, Nashville, and Philadelphia. The locations of all of these cities on an x-y grid, outbound transportation costs on a ton per mile basis, and total tonnage are all contained in the table.

Sources/Markets Transportation Cost \$/ton mile (Fn) Quantity in Tons (Dn) Xn Yn

Supply

North Haverbrook 1.1 650 700 1200

Ogden 1.2 450 250 600

Springfield 1.4 400 225 825

Market

Seattle 2.25 300 50 1200

Lubbock 2.25 200 450 300

Nashville 2.25 500 800 250

Philadelphia 2.25 500 950 1100

What is the optimal location for the Super Assembly Center?

A) (550, 808)

B) (513, 772)

C) (526, 795)

D) (538, 784)

Answer: <https://biology-forums.com/index.php?topic=787475>

Question 175

The number of different products/configurations that a customer desires from the distribution network is

A) response time.

B) product variety.

C) product availability.

D) customer experience.

Answer: <https://biology-forums.com/index.php?topic=787358>

Question 176

Supplier performance should be compared based on

A) purchase price alone.

B) its impact on total cost.

C) the supplier's quality of material.

D) the ability of the supplier to coordinate forecasting and planning.

Answer: <https://biology-forums.com/index.php?topic=788225>

Question 177

Forecasting methods that use historical demand to make a forecast are known as

A) qualitative forecasting methods.

B) time series forecasting methods.

C) causal forecasting methods.

D) simulation forecasting methods.

Answer: <https://biology-forums.com/index.php?topic=787594>

Question 178

Explain how distributors add value to a supply chain and improve its performance.

Answer: <https://biology-forums.com/index.php?topic=787406>

Question 179

The professor's suitcase has room for 50 boxes of souvenirs. How many boxes does he expect to have left once his friends have bought what they want?

A) 0

B) 1

C) 2

D) 3

Answer: <https://biology-forums.com/index.php?topic=788053>

Question 180

_____ worked with their equipment supplier, Siemens VAI, to create a new production process that cut costs and emissions by using local iron ore that was of lower quality but cheaper.

A) Walmart

B) Coca-Cola

C) Posco

D) Starbucks

Answer: <https://biology-forums.com/index.php?topic=788413>

Question 181

The measure of how significantly a forecast method consistently over- or underestimates demand is

- A) mean squared error (MSE).
- B) mean absolute deviation (MAD).
- C) bias.
- D) the tracking signal.

Answer: <https://biology-forums.com/index.php?topic=787622>

Question 182

How does cooperation and trust improve performance in a supply chain partnership?

Answer: <https://biology-forums.com/index.php?topic=787865>

Question 183

Which of the following would be a disadvantage of manufacturer storage with direct shipping?

- A) The ability to reduce cost of inventory by centralizing inventories at the manufacturer.
- B) The manufacturer has to postpone customization until after the customer order has been placed.
- C) Supply chains have to eliminate other warehousing space to save on the fixed cost of facilities.
- D) Response times tend to be large because the order has to be transmitted from the retailer to the manufacturer and shipping distances are on average longer from the manufacturer's centralized site.

Answer: <https://biology-forums.com/index.php?topic=787372>

Question 184

Revenue management is

- A) the use of marketing tools to increase revenue.
- B) the use of pricing to increase the profit generated from a limited supply of supply chain assets.
- C) a process designed to determine the best use of funds generated through sales.
- D) the use of accounting tools to monitor cash flow.

Answer: <https://biology-forums.com/index.php?topic=788313>

Question 185

All raw materials, work in process, and finished goods within a supply chain are known as

- A) facilities.
- B) inventory.
- C) transportation.
- D) information.

Answer: <https://biology-forums.com/index.php?topic=787282>

Question 186

Walmart implemented a web-based scorecard that evaluated the packaging of each product along nine metrics which included

- A) cube utilization.
- B) distance traveled.
- C) recycled content.
- D) Both A and C

Answer: <https://biology-forums.com/index.php?topic=788422>

Question 187

Forecasting methods that imitate the consumer choices that give rise to demand to arrive at a forecast are known as

- A) qualitative forecasting methods.
- B) time series forecasting methods.
- C) causal forecasting methods.
- D) simulation forecasting methods.

Answer: <https://biology-forums.com/index.php?topic=787596>

Question 188

A firm that uses flexible work hours from the workforce to manage capacity to better meet demand is using a seasonal workforce.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787716>

Question 189

Which approach to capacity management would use production machinery that can be changed easily from producing one product to another?

- A) Time flexibility from workforce
- B) Use of subcontracting
- C) Use of dual facilities—dedicated and flexible
- D) Designing product flexibility into the production processes

Answer: <https://biology-forums.com/index.php?topic=787762>

Question 190

Discounts related to price discrimination will be

- A) volume based.
- B) unit based.
- C) marginally based.
- D) lot size based.

Answer: <https://biology-forums.com/index.php?topic=787927>

Question 191

If the corporate price and young couples' price both double, how many additional rooms should the Stone Lion hold for corporate clients?

- A) 3
- B) 2
- C) 1
- D) 0

Answer: <https://biology-forums.com/index.php?topic=788328>

Question 192

Revenue management may be defined as

- A) the use of differential costing based on product or capacity availability to decrease supply chain cost.
- B) the use of differential costing based on customer segment, time of use, and product or capacity availability to increase profitability.
- C) the use of differential pricing based on customer segment, time of use, and product or capacity availability to decrease supply chain surplus.
- D) the use of differential pricing based on customer segment, time of use, and product or capacity availability to increase supply chain surplus.

Answer: <https://biology-forums.com/index.php?topic=788315>

Question 193

Supply chain macro processes include which of the following?

- A) Internal Relationship Management (IRM)
- B) External Relationship Management (ERM)
- C) Supplier Relationship Management (SRM)
- D) Supply Chain Relationship Management (SCRM)

Answer: <https://biology-forums.com/index.php?topic=787171>

Question 194

The push/pull view of the supply chain is useful when considering strategic decisions relating to supply chain design, because

- A) it categorizes processes based on whether they are initiated in response to or in anticipation of customer orders.
- B) it specifies the roles and responsibilities of each member of the supply chain.
- C) it clearly defines the processes involved and the owners of each process.
- D) it focuses on processes that are external to the firm.

Answer: <https://biology-forums.com/index.php?topic=787167>

Question 195

Managers should ensure that a firm's transportation strategy

- A) involves cost minimization.
- B) involves profit maximization.
- C) supports its competitive strategy.
- D) is separate from competitive strategy.

Answer: <https://biology-forums.com/index.php?topic=788168>

Question 196

If price and demand vary over time in a global network, flexible production capacity can be reconfigured to maximize profits in the new environment. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787487>

Question 197

The components of inventory decisions include capacity, cycle inventory, safety inventory, seasonal inventory, and sourcing. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787267>

Question 198

Discuss the importance of designing flexibility into the transportation network.

Answer: <https://biology-forums.com/index.php?topic=788175>

Question 199

The tactic of overbooking or overselling the available asset is suitable where

- A) there is a clear date beyond which the asset loses a lot of its value.
- B) there is no clear date beyond which the asset loses a lot of its value.
- C) customers are able to cancel orders and the value of the asset drops significantly after a deadline.
- D) customers are unable to cancel orders and the value of the asset drops significantly after a deadline.

Answer: <https://biology-forums.com/index.php?topic=788331>

Question 200

A decision tree is

- A) a graphic device used to evaluate decisions under certainty.
- B) a graphic device used to evaluate decisions under uncertainty.
- C) a tabular device used to evaluate decisions under certainty.
- D) a tabular device used to evaluate decisions under uncertainty.

Answer: <https://biology-forums.com/index.php?topic=787533>

Question 201

A manufacturer of industrial sales has production capacity of 1,000 units per day. Currently, the firm sells production capacity for \$10 per unit. At this price, all production capacity gets booked about one week in advance. A group of customers have said that they would be willing to pay \$15 per unit if capacity was available on the last day. About ten days in advance, demand for the high-price segment is normally distributed with a mean of 250 and a standard deviation of 100. How much production capacity should the manufacturer reserve for the last day?

Answer: <https://biology-forums.com/index.php?topic=788368>

Question 202

Cycle inventory is primarily held to

- A) take advantage of diseconomies of scale and increase cost within the supply chain.
- B) take advantage of diseconomies of scale and reduce cost within the supply chain.
- C) take advantage of economies of scale and increase cost within the supply chain.
- D) take advantage of economies of scale and reduce cost within the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787892>

Question 203

A manufacturer of cat towers wishes to locate a super assembly facility to meet their cat tower assembly needs for the next millennium. Currently, carpet, cylinders, yarn and fasteners are purchased in bulk from suppliers in North Haverbrook, Ogden, and Springfield in the quantities shown in the table. The super assembly facility would ship to distribution centers located in Seattle, Lubbock, Nashville, and Philadelphia. The locations of all of these cities on an x-y grid, transportation costs on a ton per mile basis, and total tonnage are all contained in the table. Formulate and solve a model that will minimize the shipping costs to the super assembly center.

Sources/Markets Transportation Cost \$/ton mile (Fn) Quantity in Tons (Dn) Xn Yn

Supply

North Haverbrook 1.1 650 700 1200

Ogden 1.2 450 250 600

Springfield 1.4 400 225 825

Market

Seattle 2.25 300 50 1200

Lubbock 2.25 200 450 300

Nashville 2.25 500 800 250

Philadelphia 2.25 500 950 1100

Where should the new plant be located and what is the total system shipping cost?

Answer: <https://biology-forums.com/index.php?topic=787484>

Question 204

Duties that must be paid when products and/or equipment are moved across international, state, or city boundaries are referred to as

- A) taxes.
- B) tax incentives.
- C) tariffs.
- D) incentives.

Answer: <https://biology-forums.com/index.php?topic=787455>

Question 205

The local hominy man is anticipating a bumper crop this year, so he arranges with a chain of grocery stores to stock up on his hominy as part of a Homina Homina Hominy campaign to lure customers in to the stores during September for cans of the divinely salty, yet nutritious vegetable. This approach is an example of

- A) DC replenishment collaboration.
- B) store replenishment collaboration.
- C) retail event collaboration.
- D) assortment planning collaboration.

Answer: <https://biology-forums.com/index.php?topic=787854>

Question 206

Simulation models

- A) require a higher setup cost to start and operate compared to decision tree tools.
- B) require a lower setup cost to start and operate compared to decision tree tools.
- C) require a higher setup cost to start but less to operate compared to decision tree tools.
- D) require a lower setup cost to start but more to operate compared to decision tree tools.

Answer: <https://biology-forums.com/index.php?topic=787550>

Question 207

Ignoring inventory costs when making transportation decisions can result in choices that worsen the performance of a supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788114>

Question 208

The amount of the asset reserved for the higher price segment is such that

- A) all orders from the lower priced segment will be accepted and filled.
- B) the expected marginal revenue from the higher priced segment is more than the price to the lower price segment.
- C) the expected marginal revenue from the higher priced segment is less than the price to the lower price segment.
- D) the expected marginal revenue from the higher priced segment equals the price to the lower price segment.

Answer: <https://biology-forums.com/index.php?topic=788323>

Question 209

An aggregate planner requires information on constraints. Which of the following is one of the typical constraints for an aggregate planner?

- A) Inventory holding cost
- B) Labor/machine hours required per unit
- C) Stockout or backlog cost
- D) Limits on overtime

Answer: <https://biology-forums.com/index.php?topic=787666>

Question 210

Inventory is an important supply chain driver because changing inventory policies can dramatically alter the supply chain's efficiency and

responsiveness.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787261>

Question 211

An order from a lower price buyer

- A) should always be accepted rather than waiting for potential revenue from a higher price buyer.
- B) should only be accepted if the expected revenue from a higher price buyer is higher than the current revenue from the lower price buyer.
- C) should be accepted if the expected revenue from a higher price buyer is lower than the current revenue from the lower price buyer.
- D) should not be accepted if the expected revenue from a higher price buyer is lower than the current revenue from the lower price buyer.

Answer: <https://biology-forums.com/index.php?topic=788322>

Question 212

The disadvantage of using a(n) _____ measure is that a drop in supply chain sales and production (for example in a downturn) will show an improved absolute measure of energy consumption even though the company may not have changed anything.

- A) scope
- B) relative
- C) absolute
- D) statistical

Answer: <https://biology-forums.com/index.php?topic=788406>

Question 213

In the context of greenhouse gas emission, the GHG protocol initiative defines levels of scope. This level refers to indirect emissions from grid-sourced electricity and other utility services of heat, steam and cooling.

- A) Scope 1
- B) Scope 2
- C) Scope 3
- D) Scope 4

Answer: <https://biology-forums.com/index.php?topic=788403>

Question 214

A high level of product availability requires less inventory, which will keep costs down for the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788023>

Question 215

Which of the following is a disadvantage of distributor storage with last mile delivery?

- A) Transportation cost is higher than any other distribution option.
- B) Information cost is similar to distributor storage with package carrier delivery.
- C) Customer experience is very good, particularly for bulky items.
- D) Returnability is easier to implement than other options.

Answer: <https://biology-forums.com/index.php?topic=787381>

Question 216

The measure of whether a forecast method consistently over- or underestimates demand is

- A) mean absolute deviation (MAD).
- B) mean absolute percentage error (MAPE).
- C) bias.
- D) the tracking signal.

Answer: <https://biology-forums.com/index.php?topic=787621>

Question 217

The use of dual facilities to manage capacity may be hard to sustain if the labor market is tight.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787720>

Question 218

The Intergovernmental Panel on Climate Change, a United Nations body that has been assessing global warming since 1990, has written that even though most of the buildup of carbon dioxide in the atmosphere has come from the United States and Western Europe, it is poorer countries that are closer to the equator that are likely to pay the biggest price.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788373>

Question 219

Which approach to capacity management would require that the workforce be multi-skilled and easily adapt to being moved from line to line?

- A) Time flexibility from workforce
- B) Use of seasonal workforce
- C) Use of dual facilities—dedicated and flexible
- D) Designing product flexibility into the production processes

Answer: <https://biology-forums.com/index.php?topic=787761>

Question 220

A key to reducing cycle inventory is

- A) the reduction of holding cost.
- B) the reduction of manufacturing cost.
- C) the reduction of lot size.
- D) the reduction of warehouse space.

Answer: <https://biology-forums.com/index.php?topic=787915>

Question 221

The amount reserved for the spot market should be such that the expected marginal revenue from the spot market equals the current revenue from a bulk sale.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788303>

Question 222

The lack of supply chain coordination on various measures of performance has costs associated with it. Which of the following is one of these costs?

- A) Inventory
- B) Reliability
- C) Transportation
- D) Quality

Answer: <https://biology-forums.com/index.php?topic=787822>

Question 223

Briefly describe the three primary risk mitigation strategies based on the idea of flexibility that supply chain managers can use.

Answer: <https://biology-forums.com/index.php?topic=787556>

Question 224

The objective of the first phase of network design is to

- A) maximize total profits, taking into account the expected margin and demand in each market.
- B) select a set of desirable sites within each region where facilities are to be located.
- C) identify regions where facilities will be located, their potential roles, and their approximate capacity.
- D) specify what capabilities the supply chain network must have to support a firm's competitive strategy.

Answer: <https://biology-forums.com/index.php?topic=787469>

Question 225

The objective of the customer arrival process is to ensure that orders are quickly and accurately entered and communicated to other affected supply chain processes.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787110>

Question 226

Companies should work with downstream partners to produce forecasts and with upstream partners to determine constraints when doing aggregate planning.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787649>

Question 227

In a continuous replenishment program, the wholesaler or manufacturer replenishes a retailer regularly based on

- A) the POS data of the wholesaler.
- B) the forecast of the retailer.
- C) the POS data of the retailer.
- D) the forecast of the manufacturer.

Answer: <https://biology-forums.com/index.php?topic=787842>

Question 228

The issue of product availability and the level of safety inventory is particularly significant in industries where

- A) product life cycles are short and demand is stable.
- B) product life cycles are short and demand is very volatile.
- C) product life cycles are long and demand is stable.
- D) product life cycles are long and demand is very volatile.

Answer: <https://biology-forums.com/index.php?topic=787964>

Question 229

The advantage of maintaining enough manufacturing capacity to meet demand in any period is

- A) very low inventory costs because inventory needs to be carried from period to period.
- B) very low inventory costs because no inventory needs to be carried from period to period.
- C) very high inventory costs because no inventory needs to be carried from period to period.
- D) very high inventory costs because expensive capacity would go unused during most months when demand was lower.

Answer: <https://biology-forums.com/index.php?topic=787734>

Question 230

Transportation is a significant component of the costs incurred by most supply chains.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788104>

Question 231

Average flow time resulting from cycle inventory is equal to

- A) $\text{Cycle Inventory} / \text{Demand} = Q/2$.
- B) $\text{Cycle Inventory} / \text{Demand} = Q/2D$.
- C) $\text{Cycle Inventory} = Q/2$.
- D) $\text{Cycle Inventory} = \text{Lot Size} = Q$.

Answer: <https://biology-forums.com/index.php?topic=787891>

Question 232

Measuring performance based on sell-through is often justified on the grounds that the manufacturer's sales force does not control sell-in.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787798>

Question 233

Demand is forecast for the next five months as 200, 300, 500, 300, 200. The production planner decides to adopt a chase strategy, so over the next five months they should produce

- A) 200, 300, 500, 300, 200.
- B) 500, 400, 300, 200, 100.
- C) 100, 200, 300, 400, 500.
- D) 300, 300, 300, 300, 300.

Answer: <https://biology-forums.com/index.php?topic=787675>

Question 234

Under a cap and trade system, the price of emissions is

- A) determined directly as a function of the output.

- B) determined indirectly and can change.
- C) determined indirectly and is invariant.
- D) determined directly and is invariant.

Answer: <https://biology-forums.com/index.php?topic=788437>

Question 235

A reliable supplier has low variability of lead time, whereas an unreliable supplier has high variability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788182>

Question 236

The procurement process for indirect materials should focus on decreasing the transaction cost for each order.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788194>

Question 237

Causal forecasting methods find a correlation between demand and environmental factors and use estimates of what environmental factors will be to forecast future demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787571>

Question 238

Katz reports total revenue of \$375,650, cost of goods sold of \$267,400 and net income of \$48,325. Their total assets are \$784,325 and total liabilities are \$387,775. What is their return on equity (ROE)?

- A) 33.72%
- B) 12.19%
- C) 6.16%
- D) 21.38%

Answer: <https://biology-forums.com/index.php?topic=787274>

Question 239

The components needed to produce a computer clock cost twenty-five cents. How many clocks should the AITP club produce?

- A) 39
- B) 47
- C) 55
- D) 63

Answer: <https://biology-forums.com/index.php?topic=788346>

Question 240

For products where the firm has market power, coordination in the supply chain can be achieved and supply chain profits maximized through the use of

- A) two-part tariffs or volume based quantity discounts.
- B) marginal unit quantity discounts.
- C) all unit quantity discounts.
- D) basic quantity discounts.

Answer: <https://biology-forums.com/index.php?topic=787925>

Question 241

Allocating too little capacity results in

- A) good responsiveness if demand is not satisfied or low cost if demand is filled from a distant facility.
- B) good responsiveness if demand is not satisfied or high cost if demand is filled from a distant facility.
- C) poor responsiveness if demand is not satisfied or low cost if demand is filled from a distant facility.
- D) poor responsiveness if demand is not satisfied or high cost if demand is filled from a distant facility.

Answer: <https://biology-forums.com/index.php?topic=787437>

Question 242

Price discrimination is the practice where a firm charges differential prices to maximize profits.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787884>

Question 243

Inexpensive and inflexible transportation modes tend to

- A) perform poorly.
- B) perform very poorly when plans change.
- C) perform well when everything goes as planned.
- D) all of the above

Answer: <https://biology-forums.com/index.php?topic=788170>

Question 244

Too low a level of overbooking will lead to unutilized assets and lost revenue.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788280>

Question 245

The complexity and scale of transportation makes it an excellent area within the supply chain for the use of

- A) a dedicated logistics manager.
- B) a fleet of vehicles.
- C) information technology systems.
- D) a common unit of money.

Answer: <https://biology-forums.com/index.php?topic=788165>

Question 246

In the context of greenhouse gas emission, the GHG protocol initiative defines levels of scope. This level refers to emissions from GHG sources that are owned or controlled by the reporting entity.

- A) Scope 1
- B) Scope 2
- C) Scope 3
- D) Scope 4

Answer: <https://biology-forums.com/index.php?topic=788401>

Question 247

To improve the quality of aggregate plans, forecast errors must be taken into account when formulating aggregate plans.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787645>

Question 248

Using the output from supplier scoring and assessment to identify the appropriate supplier(s) is

- A) procurement.
- B) sourcing.
- C) supplier scoring and assessment.
- D) supplier selection.

Answer: <https://biology-forums.com/index.php?topic=788198>

Question 249

The intercompany scope of strategic fit is no longer relevant today because the competitive playing field has shifted from company versus company to supply chain versus supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787194>

Question 250

Risks and opportunities have increased for supply chains due to

- A) the decreasing value of the U.S. dollar.
- B) increasing globalization.
- C) the increasing population.

D) a decline in energy prices.

Answer: <https://biology-forums.com/index.php?topic=787249>

Question 251

Under tailored postponement, a firm produces the amount that is very likely to sell using

- A) the lower cost production method with postponement and produces the portion of demand that is uncertain using postponement.
- B) the lower cost production method without postponement and produces the portion of demand that is uncertain using postponement.
- C) the higher cost production method with postponement and produces the portion of demand that is uncertain using postponement.
- D) the higher cost production method without postponement and produces the portion of demand that is uncertain using postponement.

Answer: <https://biology-forums.com/index.php?topic=788075>

Question 252

Most firms must decide what fraction of an asset to

- A) sell in bulk and what fraction of the asset to discard.
- B) save for the spot market and what fraction of the asset to discard.
- C) save for emergencies and what fraction of the asset to rework.
- D) sell in bulk and what fraction of the asset to save for the spot market.

Answer: <https://biology-forums.com/index.php?topic=788350>

Question 253

The social pillar measures a firm's ability to address issues that are important for its workforce, customers, and society.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788376>

Question 254

Aggregating across products, retailers, or suppliers in a single order allows for a reduction in lot size for individual products because

- A) fixed ordering and transportation costs are now charged to retailers.
- B) fixed ordering and transportation costs are now charged to suppliers.
- C) fixed ordering and transportation costs are now spread across multiple products, retailers, or suppliers.
- D) holding costs are now charged to retailers or suppliers.

Answer: <https://biology-forums.com/index.php?topic=787914>

Question 255

McDonough and Braungart (2002) discuss the importance of _____ design if we are to truly limit the landfill inventory generated by a supply chain.

- A) cradle to grave
- B) cradle to cradle
- C) manageable sustainability
- D) recyclable content

Answer: <https://biology-forums.com/index.php?topic=788425>

Question 256

With an uncoordinated supply chain each stage tries to maximize its own profits, resulting in actions that often diminish total supply chain profits.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787793>

Question 257

Among the sources of risk identified in global supply chains, the highest among these four is

- A) shortage of skilled resources.
- B) natural disasters.
- C) inflexible supply chain technology.
- D) customs delays.

Answer: <https://biology-forums.com/index.php?topic=787510>

Question 258

As the total quantity for the season is broken up into multiple smaller orders, the buyer is better able to

- A) match supply and demand and increase cost.
- B) match supply and demand and increase profitability.

- C) match supply and demand and decrease profitability.
- D) match supply and demand and decrease product availability.

Answer: <https://biology-forums.com/index.php?topic=788067>

Question 259

On a recent road trip to the Big Easy, the absentee landlord recorded his gasoline purchases in a logbook that he intended to support his rental expenses for the year. The entries are in the table below:

Gallons Total Cost

15 \$44.40

16 \$36.32

13.5 \$34.70

18 \$45.90

8 \$23.36

12 \$30.72

What is the average sale price of the gasoline?

- A) \$2.61
- B) \$2.64
- C) \$2.67
- D) \$2.70

Answer: <https://biology-forums.com/index.php?topic=787321>

Question 260

The manufacturing and shipping process in the manufacturing cycle is equivalent to the

- A) order receiving process in the replenishment cycle.
- B) order fulfillment process in the replenishment cycle.
- C) order entry process in the replenishment cycle.
- D) order trigger process in the replenishment cycle.

Answer: <https://biology-forums.com/index.php?topic=787163>

Question 261

Customer arrival refers to

- A) the point in time when the customer has access to choices and makes a decision regarding a purchase.
- B) the customer informing the retailer of what they want to purchase and the retailer allocating product to the customer.
- C) the process where product is prepared and sent to the customer.
- D) the process where the customer receives the product and takes ownership.

Answer: <https://biology-forums.com/index.php?topic=787151>

Question 262

Strategic planning and financial planning should be combined during supply chain network design.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787503>

Question 263

Supply chain responsiveness includes the ability to do which of the following?

- A) Understand customers and supply chain
- B) Meet a very high service level
- C) Match supply chain responsiveness with the implied uncertainty of demand
- D) Ensure that all functional strategies within the supply chain support the supply chain's level of responsiveness

Answer: <https://biology-forums.com/index.php?topic=787227>

Question 264

Why would anyone in their right mind buy a brand new car in the spring when they know that new car models will appear in late summer and early fall and the dealers will use

- A) markdowns to move that old inventory?
- B) information systems to move that old inventory?
- C) pull systems to move that old inventory?
- D) lost sales to move that old inventory?

Answer: <https://biology-forums.com/index.php?topic=787280>

Question 265

The situation in which fluctuations in orders increase as they move up the supply chain from retailers to wholesalers to manufacturers to suppliers is known as

- A) market fluctuations.
- B) the whiplash effect.
- C) the bullwhip effect.
- D) lack of visibility.

Answer: <https://biology-forums.com/index.php?topic=787810>

Question 266

Which factor favors promotion during peak-demand periods?

- A) High margin
- B) Low ability to steal market share
- C) High ability to increase overall market
- D) Low margin

Answer: <https://biology-forums.com/index.php?topic=787782>

Question 267

The supply chain planning phase exceeds the supply chain design phase in duration.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787113>

Question 268

_____ are the preferred mode of transport for online businesses such as Amazon.com and Dell, as well as for companies such as W.W. Grainger and McMaster-Carr that send small packages to customers.

- A) Air
- B) Package carriers
- C) Rail
- D) Water

Answer: <https://biology-forums.com/index.php?topic=788131>

Question 269

A price discount where the pricing schedule offers discounts based on the quantity ordered in a single lot is

- A) customer based.
- B) lot size based.
- C) supplier based.
- D) volume based.

Answer: <https://biology-forums.com/index.php?topic=787917>

Question 270

_____ variability is change in demand that can be forecasted.

- A) Capacity
- B) Predictable
- C) Inventory
- D) Backlog

Answer: <https://biology-forums.com/index.php?topic=787741>

Question 271

Transportation costs increase as the number of facilities is increased.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787424>

Question 272

The practice where a firm charges differential prices to maximize profits is

- A) lot pricing.
- B) marginal pricing.

- C) price incrimination.
- D) price discrimination.

Answer: <https://biology-forums.com/index.php?topic=787926>

Question 273

Naturally, the professor will purchase the optimal number of boxes. (He's had a course or two in supply chain management and knows this model well.) If each of his friends purchases only one box, how many friends will he turn away because he runs out of boxes of souvenirs?

- A) 5
- B) 3
- C) 2
- D) 1

Answer: <https://biology-forums.com/index.php?topic=788058>

Question 274

If facilities have higher fixed costs, many local facilities are preferred because this helps lower transportation costs.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787416>

Question 275

A facility built because of tax incentives, local content requirement, tariff barriers, or high logistics cost to supply the region from elsewhere with the objective to supply the market where it is located is

- A) an offshore facility.
- B) a source facility.
- C) a server facility.
- D) a contributor facility.

Answer: <https://biology-forums.com/index.php?topic=787448>

Question 276

A firm that is not on the cost-responsiveness efficient frontier can improve

- A) both responsiveness and cost performance.
- B) only responsiveness.
- C) only cost performance.
- D) responsiveness, but not cost performance.

Answer: <https://biology-forums.com/index.php?topic=787231>

Question 277

In order to achieve the greatest value

- A) supply planning and revenue management should be performed separately.
- B) supply planning should be completed first.
- C) supply planning and revenue management should be combined.
- D) revenue management should be completed first.

Answer: <https://biology-forums.com/index.php?topic=788361>

Question 278

Short-term contracts for both warehousing and transportation requirements will be more effective

- A) if the demand and price of warehousing do not change in the future.
- B) if the price of warehousing goes up in the future.
- C) if either demand or the price of warehousing drops in the future.
- D) only if demand drops in the future.

Answer: <https://biology-forums.com/index.php?topic=787540>

Question 279

Aggregate planning solves problems involving

- A) aggregate decisions and stock keeping unit (SKU) level decisions.
- B) aggregate decisions or stock keeping unit (SKU) level decisions.
- C) aggregate decisions rather than stock keeping unit (SKU) level decisions.
- D) stock keeping unit (SKU) level decisions rather than aggregate decisions.

Answer: <https://biology-forums.com/index.php?topic=787657>

Question 280

A distributor should decide his safety inventory levels based on

- A) the level of safety inventory carried by all retailers supplied by him.
- B) the level of safety inventory carried by other distributors.
- C) the level of safety inventory carried by manufacturers supplying him.
- D) the level of cycle inventory carried by all retailers supplied by him.

Answer: <https://biology-forums.com/index.php?topic=788009>

Question 281

Efficient supply chains

- A) respond quickly to demand.
- B) have higher margins because price is not a prime customer driver.
- C) maintain buffer inventory to deal with demand/supply uncertainty.
- D) maximize performance at a minimum cost.

Answer: <https://biology-forums.com/index.php?topic=787239>

Question 282

Suppose the taco stand manager could wake up a little earlier and borrow his buddy's full size pickup to transport tacos to campus. If time and capacity were not an issue, what would the expected profit be per day?

- A) \$29,443
- B) \$31,382
- C) \$35,000
- D) \$30,657

Answer: <https://biology-forums.com/index.php?topic=788086>

Question 283

The multiplicative form of the systematic component of demand is shown as

- A) level \times trend \times seasonal factor.
- B) level + trend + seasonal factor.
- C) (level + trend) \times seasonal factor.
- D) level \times (trend + seasonal factor).

Answer: <https://biology-forums.com/index.php?topic=787605>

Question 284

Cycle inventory is used because

- A) the world is perfectly predictable.
- B) demand is uncertain and may exceed expectations.
- C) it involves making a trade-off between the costs of having too much inventory and the costs of losing sales due to not having enough inventory.
- D) it focuses on processes that are external to the firm.

Answer: <https://biology-forums.com/index.php?topic=787297>

Question 285

The key players in any transportation that takes place within a supply chain are

- A) the shipper and the receiver.
- B) the shipper and the supplier.
- C) the shipper and the manufacturer.
- D) the shipper and the carrier.

Answer: <https://biology-forums.com/index.php?topic=788123>

Question 286

What is the mean absolute percentage error if the forecasts for periods 1-10 are in order, 176.6, 174.2, 176.1, 178.7, 160.4, 165.4, 177.7, 191.1, 191.0, and 175.2?

- A) 5.8
- B) 5.6
- C) 5.4

D) 5.2

Answer: <https://biology-forums.com/index.php?topic=787628>

Question 287

Qualitative forecasting methods are most appropriate when

- A) there is good historical data available.
- B) there is little historical data available.
- C) experts do not have critical market intelligence.
- D) forecasting demand into the near future.

Answer: <https://biology-forums.com/index.php?topic=787597>

Question 288

What is the fill rate under this policy?

- A) 0.9398
- B) 0.9833
- C) 0.9921
- D) 0.9998

Answer: <https://biology-forums.com/index.php?topic=787986>

Question 289

Explain how tailored postponement can improve profitability.

Answer: <https://biology-forums.com/index.php?topic=788099>

Question 290

The use of differential pricing should

- A) decrease total profits for a firm.
- B) increase total profits for a firm.
- C) increase capacity for a firm.
- D) decrease capacity utilization for a firm.

Answer: <https://biology-forums.com/index.php?topic=788316>

Question 291

During network design, managers need a methodology that allows them to estimate the certainty in their forecast of demand and price and then incorporate this certainty into the decision-making process.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787499>

Question 292

The trend corrected exponential smoothing (Holt's Model) forecast method is appropriate when

- A) demand has observable trend or seasonality.
- B) demand has no observable trend or seasonality.
- C) demand has observable trend but no seasonality.
- D) demand has no observable level or seasonality.

Answer: <https://biology-forums.com/index.php?topic=787612>

Question 293

Explain the three macro processes within a supply chain.

Answer: <https://biology-forums.com/index.php?topic=787182>

Question 294

If retailers sell products from competing manufacturers in a VMI system,

- A) inventory at the manufacturer will be lower than optimal.
- B) inventory at the manufacturer will be higher than optimal.
- C) sales at the retailer will be lower than optimal.
- D) inventory at the retailer will be higher than optimal.

Answer: <https://biology-forums.com/index.php?topic=787847>

Question 295

Companies using seasonal inventory will build up inventory in periods of low demand and store it for periods of high demand when they will not have the capacity to produce all that is demanded.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787270>

Question 296

Cycle inventory exists in a supply chain because different stages exploit economies of scale to lower total cost.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787871>

Question 297

Using a third party requires a firm to share demand information and in some cases intellectual property. This risk would be described as

- A) leakage of sensitive data and information.
- B) underestimation of the cost of coordination.
- C) reduced customer/supplier contact.
- D) loss of internal capability.

Answer: <https://biology-forums.com/index.php?topic=788214>

Question 298

The bullwhip effect moves a supply chain

- A) away from the efficient frontier by increasing cost and decreasing responsiveness.
- B) away from the efficient frontier by decreasing cost and increasing responsiveness.
- C) toward the efficient frontier by increasing cost and decreasing responsiveness.
- D) toward the efficient frontier by increasing cost and increasing responsiveness.

Answer: <https://biology-forums.com/index.php?topic=787818>

Question 299

The most common problems in the use of IT in transportation relate to

- A) cross-enterprise collaboration.
- B) network security.
- C) vibration-resistant hardware.
- D) maintaining an Internet connection while in motion.

Answer: <https://biology-forums.com/index.php?topic=788167>

Question 300

The primary role of cycle inventory is to allow different stages in the supply chain to

- A) purchase product in lot sizes that maximize the sum of the material, ordering, and holding cost.
- B) purchase product in lot sizes that minimize the sum of the material, ordering, and holding cost.
- C) sell product in lot sizes that maximize the sum of the material, ordering, and holding cost.
- D) sell product in lot sizes that minimize the sum of the material, ordering, and holding cost.

Answer: <https://biology-forums.com/index.php?topic=787893>

Question 301

Capital, growth strategy, existing networks and global competition mostly affect which of the four Global Network Design Decisions?

- A) Phase I - Supply Chain Strategy
- B) Phase II - Regional Facility Configuration
- C) Phase III - Desirable Sites
- D) Phase IV - Location Choices

Answer: <https://biology-forums.com/index.php?topic=787463>

Question 302

The sales typically measured by a manufacturer are

- A) the quantity sold to final customers (sell-through).
- B) the quantity sold to distributors or retailers (sell-in).
- C) the quantity reported by the salesperson.

D) based on the quantity of supplies purchased from key suppliers.

Answer: <https://biology-forums.com/index.php?topic=787825>

Question 303

As the product margin declines, promoting during the peak demand period becomes

- A) less profitable.
- B) more profitable.
- C) less of a risk.
- D) more desirable.

Answer: <https://biology-forums.com/index.php?topic=787779>

Question 304

As inputs into the aggregate plan change, managers do not need to make changes to the aggregate plan.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787651>

Question 305

Discuss the two keys to the success or failure of a company.

Answer: <https://biology-forums.com/index.php?topic=787255>

Question 306

As the ratio of the cost of overstocking to the cost of understocking gets smaller,

- A) the optimal level of product availability becomes irrelevant.
- B) the optimal level of product availability decreases.
- C) the optimal level of product availability remains stable.
- D) the optimal level of product availability increases.

Answer: <https://biology-forums.com/index.php?topic=788061>

Question 307

A company with multiple products that chooses to delay product differentiation until closer to the point of sale is using

- A) tailored sourcing.
- B) quick response.
- C) postponement.
- D) improved forecasting.

Answer: <https://biology-forums.com/index.php?topic=788062>

Question 308

Inventory carried for the purpose of satisfying demand that exceeds the amount forecasted for a given period is

- A) cycle inventory.
- B) demand inventory.
- C) safety inventory.
- D) security inventory.

Answer: <https://biology-forums.com/index.php?topic=787961>

Question 309

Responding to customer complaints (primarily from period 1 purchasers) the student APICS chapter decides to use static pricing over the four month season. What is the optimal price to charge for their barbecue sauce?

- A) \$122.50
- B) \$125.00
- C) \$127.50
- D) \$130.00

Answer: <https://biology-forums.com/index.php?topic=788342>

Question 310

Transportation costs are high with drop-shipping because the average outbound distance to the end consumer is large and package carriers are used to shipping the product.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787334>

Question 311

Why should replenishment lead time be considered in supplier selection decisions?

Answer: <https://biology-forums.com/index.php?topic=788248>

Question 312

The result of each stage in the supply chain making its own separate forecast is

- A) an accurate forecast.
- B) a more accurate forecast.
- C) a match between supply and demand.
- D) a mismatch between supply and demand.

Answer: <https://biology-forums.com/index.php?topic=787580>

Question 313

Economies of scale are illustrated by

- A) a company declaring that they will not have sales, but will maintain very low prices all the time.
- B) the price of a taxi ride service increasing after 2 a.m.
- C) a supplier using a third party logistics firm.
- D) a supplier waiting until enough demand has built up to send a full truckload shipment to their customer.

Answer: <https://biology-forums.com/index.php?topic=787320>

Question 314

A manufacturer with significant market power should use

- A) two-part tariffs and volume discounts to achieve coordination.
- B) lot-size-based quantity discounts to achieve coordination.
- C) forward-buying with retail coupons to achieve coordination.
- D) liquidators and reverse-buying to achieve coordination.

Answer: <https://biology-forums.com/index.php?topic=787838>

Question 315

Which of the following is an advantage of retail storage with customer pickup?

- A) Inventory cost is higher than all other options.
- B) Transportation cost is lower than all other options.
- C) Facilities and handling costs are higher than other options.
- D) Product variety is lower than all other options.

Answer: <https://biology-forums.com/index.php?topic=787386>

Question 316

A negative NPV (net present value) for an option indicates that the option will

- A) gain money for the supply chain.
- B) lose money for the supply chain.
- C) maximize profit for the supply chain.
- D) minimize profit for the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787525>

Question 317

The XYZ Company has a choice between two warehouses. A lease at location A costs \$1000 per month with a payment of \$2000 up front to guarantee the 3 year lease. Location B would cost \$1200 per month and would be leased from month to month. The anticipated revenue in either location is \$1500 per month. The estimated rate of return is 10% per year. Using net present value, determine which location would be the better choice.

Answer: <https://biology-forums.com/index.php?topic=787557>

Question 318

Tailored transportation is the use of different transportation networks and modes based on customer and product characteristics. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788119>

Question 319

Firms that focus on cost leadership tend to find the lowest-cost location might

- A) locate far from their customers.
- B) locate in a higher cost area to provide faster response.
- C) have many facilities to take advantage of economies of scale.
- D) increase inventory levels to reduce stockouts.

Answer: <https://biology-forums.com/index.php?topic=787461>

Question 320

The tactic of varying price over time is suitable for assets

- A) that do not have a clear date beyond which they lose a lot of their value.
- B) that have a clear date beyond which they lose a lot of their value.
- C) where customers are able to cancel orders and the value of the asset drops significantly after a deadline.
- D) where customers are unable to cancel orders and the value of the asset drops significantly after a deadline.

Answer: <https://biology-forums.com/index.php?topic=788329>

Question 321

The two forms of supply chain assets are

- A) capacity and inventory.
- B) capacity and revenue.
- C) inventory and revenue.
- D) inventory and warehouse space.

Answer: <https://biology-forums.com/index.php?topic=788314>

Question 322

The cost of wasted capacity is

- A) the reduction in margin that results from having to go to a backup source.
- B) the margin that would have been generated if the capacity had been used for production.
- C) the productivity increase generated when the capacity is used for production.
- D) the sales potential of excess capacity kept in reserve for emergency production.

Answer: <https://biology-forums.com/index.php?topic=788335>

Question 323

Product availability reflects a firm's ability to fill a customer order out of available inventory.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787945>

Question 324

Which cost should only include receiving and storage costs that vary with the quantity of product received?

- A) Cost of capital
- B) Obsolescence (spoilage) cost
- C) Handling cost
- D) Occupancy cost

Answer: <https://biology-forums.com/index.php?topic=787934>

Question 325

In theory, the concept of differential pricing decreases total cost for a firm.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788257>

Question 326

The mode of transportation that results in the lowest transportation cost will lower total costs for a supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788113>

Question 327

The discount factor used to obtain the present value of money in the next period where k represents the rate of return is

- A) k .
- B) $1 + k$.
- C) $1/(1 + k)$.
- D) $k/(1 + k)$.

Answer: <https://biology-forums.com/index.php?topic=787522>

Question 328

Cheaper modes of transport typically have

- A) shorter lead times and smaller minimum shipment quantities.
- B) shorter lead times and larger minimum shipment quantities.
- C) longer lead times and smaller minimum shipment quantities.
- D) longer lead times and larger minimum shipment quantities.

Answer: <https://biology-forums.com/index.php?topic=788146>

Question 329

Average flow time resulting from cycle inventory = Cycle Inventory/Demand = $Q/2D$.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787869>

Question 330

Sales efforts and orders peak near the end of any month, quarter, or other evaluation period. This is commonly referred to as

- A) the hockey stick phenomenon.
- B) the student syndrome.
- C) Murphy's Law.
- D) the Central Limit Theorem.

Answer: <https://biology-forums.com/index.php?topic=788241>

Question 331

The capacity management approach that uses flexible work hours from the workforce to manage capacity to better meet demand is

- A) time flexibility from workforce.
- B) use of seasonal workforce.
- C) use of subcontracting.
- D) use of dual facilities—dedicated and flexible.

Answer: <https://biology-forums.com/index.php?topic=787749>

Question 332

Explain the 3 decision phases (categories) that must be made in a successful supply chain.

Answer: <https://biology-forums.com/index.php?topic=787179>

Question 333

All supply chain activities within a firm belong to one of three macro processes — CRM, ISCM and SRM.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787123>

Question 334

A supply chain needs to achieve a balance between the level of availability and the cost of inventory that

- A) maximizes supply chain revenues.
- B) minimizes supply chain costs.
- C) maximizes supply chain profitability.
- D) maximizes supply chain availability.

Answer: <https://biology-forums.com/index.php?topic=788045>

Question 335

Suppose that a highway is governed by a use fee charged to motorists that is based on congestion, operation and maintenance. The total traffic t is used to determine the cost of $5t^2 + 7t$. What is the average cost per motorist?

- A) 12
- B) $5t + 7$
- C) 10
- D) $10t + 7$

Answer: <https://biology-forums.com/index.php?topic=788139>

Question 336

If the price young couples are willing to pay increases by 50%, how many rooms should be reserved for corporate clients?

- A) 17
- B) 7
- C) 4
- D) 10

Answer: <https://biology-forums.com/index.php?topic=788325>

Question 337

The degree of demand and price uncertainty has

- A) no effect on the appropriate portfolio of long- and short-term warehousing space that a firm should carry.
- B) a limited influence on the appropriate portfolio of long- and short-term warehousing space that a firm should carry.
- C) a minor influence on the appropriate portfolio of long- and short-term warehousing space that a firm should carry.
- D) a significant influence on the appropriate portfolio of long- and short-term warehousing space that a firm should carry.

Answer: <https://biology-forums.com/index.php?topic=787541>

Question 338

The value of better information coordination will be linked to the amount of variability introduced into the supply chain as a result of the bullwhip effect. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788185>

Question 339

A firm can meet customer needs by using tailored transportation to provide the appropriate transportation choice based on customer and product characteristics, but at a higher cost.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788118>

Question 340

As the ratio of the cost of overstocking to the cost of understocking gets smaller, the optimal level of product availability decreases.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788030>

Question 341

A supply chain can use a high level of product availability to improve its responsiveness and attract customers.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788022>

Question 342

Describe the cycle view of the processes within a supply chain.

Answer: <https://biology-forums.com/index.php?topic=787180>

Question 343

To achieve complete strategic fit, a firm must ensure that all functions in the value chain have diverse strategies that support functional goals.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787191>

Question 344

Financial analysis should be used as an input to decision making, not as the decision-making process.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787504>

Question 345

Which of these has the broader range?

- A) Intrafunctional scope
- B) Intercompany scope
- C) Interfunctional scope
- D) Intraoperational scope

Answer: <https://biology-forums.com/index.php?topic=787243>

Question 346

Uncertainty of demand and price

- A) drives the value of building flexible production capacity at a plant.
- B) eliminates the value of building flexible production capacity at a plant.
- C) facilitates the value of building flexible production capacity at a plant.
- D) has no effect on the value of building flexible production capacity at a plant.

Answer: <https://biology-forums.com/index.php?topic=787542>

Question 347

A focus on sustainability allows a supply chain to better serve more environmentally conscious customers while often improving supply chain performance.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788369>

Question 348

What is the type of this network design?

- A) Dedicated network
- B) Fully flexible network
- C) Chained network with one long chain
- D) Chained network with two long chains

Answer: <https://biology-forums.com/index.php?topic=787518>

Question 349

What is the average inventory if they order at the optimal order quantity?

- A) 2670 cups
- B) 2000 cups
- C) 1335 cups
- D) 667 cups

Answer: <https://biology-forums.com/index.php?topic=787902>

Question 350

The moving average forecast method is used when

- A) demand has observable trend or seasonality.
- B) demand has no observable trend or seasonality.
- C) demand has observable trend and seasonality.
- D) demand has no observable level or seasonality.

Answer: <https://biology-forums.com/index.php?topic=787610>

Question 351

Which of the following statements about push processes is accurate?

- A) They may also be referred to as speculative processes.
- B) Execution is initiated in response to customer orders.
- C) At the time of execution, demand is known with certainty.
- D) They may also be referred to as reactive processes.

Answer: <https://biology-forums.com/index.php?topic=787169>

Question 352

The difference between the value of the product and its price remains with the customer as consumer surplus.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787112>

Question 353

Behavioral obstacles are often related to the way the supply chain is structured and reduce the bullwhip effect.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787803>

Question 354

What is the expected shortage per cycle under this policy?

- A) 1 phone
- B) 2.2 phones
- C) 4.5 phones
- D) 9.8 phones

Answer: <https://biology-forums.com/index.php?topic=787985>

Question 355

Which mode of transportation is the dominant form of freight transportation?

- A) Air
- B) Truck
- C) Rail
- D) Water

Answer: <https://biology-forums.com/index.php?topic=788134>

Question 356

Explain the basic strategies that an aggregate planner has available to balance the various costs and meet demand.

Answer: <https://biology-forums.com/index.php?topic=787707>

Question 357

As the response time desired by the customer decreases, the required number of facilities in the distribution network

- A) decreases.
- B) remains the same.
- C) increases.
- D) increases and then decreases.

Answer: <https://biology-forums.com/index.php?topic=787366>

Question 358

Pricing schedules with all unit quantity discounts encourage retailers to

- A) decrease the size of their lots.
- B) increase the size of their lots.
- C) decrease the size of their inventory.
- D) increase the price of their products.

Answer: <https://biology-forums.com/index.php?topic=787919>

Question 359

At a train station where lines intersect, the Mumbai dabbawalas perform

- A) a forward logistics function.
- B) a reverse logistics function.
- C) a milk run.
- D) a cross-dock function.

Answer: <https://biology-forums.com/index.php?topic=788149>

Question 360

What is the average flow time of a phone if the reorder point used by Mr. Barksdale is 2000 phones?

- A) 1.74 weeks
- B) 1.87 weeks
- C) 2.00 weeks
- D) 2.13 weeks

Answer: <https://biology-forums.com/index.php?topic=787983>

Question 361

Suppose that a highway is governed by a use fee charged to motorists that is based on congestion, operation and maintenance. The total traffic t is used to determine the cost of $5t^2 + 7t$. What is the marginal cost?

- A) 12
- B) $5t + 7$
- C) 10
- D) $10t + 7$

Answer: <https://biology-forums.com/index.php?topic=788140>

Question 362

Describe the impact of behavioral obstacles on supply chain coordination.

Answer: <https://biology-forums.com/index.php?topic=787864>

Question 363

Situations where demand information is distorted as it moves between different stages of the supply chain, leading to increased variability in orders within the supply chain are referred to as

- A) incentive obstacles.
- B) information processing obstacles.
- C) operational obstacles.
- D) behavioral obstacles.

Answer: <https://biology-forums.com/index.php?topic=787826>

Question 364

Postponement is

- A) not very effective if a large fraction of demand comes from multiple products.
- B) not very effective if a small fraction of demand comes from a single product.
- C) only effective if a large fraction of demand comes from a single product.
- D) effective even if a large fraction of demand comes from a single product.

Answer: <https://biology-forums.com/index.php?topic=788073>

Question 365

A(n) _____ measure of performance is more effective at capturing improvement.

- A) scope
- B) relative
- C) absolute
- D) statistical

Answer: <https://biology-forums.com/index.php?topic=788407>

Question 366

Cycle inventory is inventory carried to satisfy demand that exceeds the amount forecasted for a given period.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787959>

Question 367

For a global supply chain, exchange rates and inflation are

- A) likely to vary over time in different locations.
- B) not likely to vary over time in different locations.
- C) not likely to vary over time in any locations.
- D) likely to be stable over time in all locations.

Answer: <https://biology-forums.com/index.php?topic=787532>

Question 368

Facilities often offer the best opportunity to simultaneously improve the environmental and financial performance through innovation.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788379>

Question 369

A shortage of capacity (or inventory) occurs when

- A) there are excessive cancellations.
- B) there are few cancellations.
- C) an expensive backup needs to be arranged.
- D) B and C only

Answer: <https://biology-forums.com/index.php?topic=788334>

Question 370

Long-term forecasts have a larger standard deviation of error relative to the mean than short-term forecasts.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787577>

Question 371

A global supply chain with offshoring would tend to see which of these performance dimensions increase?

- A) Labor costs
- B) On time delivery
- C) Supply chain visibility
- D) Minimum order quantity

Answer: <https://biology-forums.com/index.php?topic=787514>

Question 372

Supply chain managers are able to

- A) increase their forecast accuracy as lead times increase.
- B) increase their forecast accuracy as lead times decrease.
- C) decrease their forecast accuracy as lead times decrease.
- D) decrease their forecast accuracy as lead times increase.

Answer: <https://biology-forums.com/index.php?topic=788065>

Question 373

When faced with a network design decision, the goal of a manager is to design a network that minimizes the firm's costs while satisfying customer needs in terms of demand and responsiveness.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787426>

Question 374

What are the challenges to greater sustainability posed by the tragedy of the commons?

Answer: <https://biology-forums.com/index.php?topic=788444>

Question 375

What is the optimal quantity of boxes for the professor to bring back home to sell to his friends?

- A) 88
- B) 74
- C) 96
- D) 82

Answer: <https://biology-forums.com/index.php?topic=788055>

Question 376

Over the past two months, Lisa has received several orders for goat grazing services. The order date, promise date, and delivery dates are shown in the table below.

Order Date Promise Date Delivery Date

June 1 June 2 June 3

June 1 June 4 June 4

June 6 June 7 June 7

June 13 June 15 June 15

June 15 June 16 June 18

June 15 June 18 June 20

June 18 June 22 June 22

June 19 June 25 June 25

June 20 June 27 June 27

June 22 June 29 June 29

June 24 June 28 June 30

June 26 July 4 July 4

June 28 July 8 July 7

June 30 July 8 July 9

What is Lisa's percentage of on-time deliveries?

A) 75%

B) 64%

C) 56%

D) 51%

Answer: <https://biology-forums.com/index.php?topic=787317>

Question 377

Reduction of fixed cost may be achieved by aggregating lots across multiple products, customers, or suppliers.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787877>

Question 378

Explain the basic trade-off between responsiveness and efficiency for each of the major drivers of supply chain performance.

Answer: <https://biology-forums.com/index.php?topic=787327>

Question 379

The most common form of collaboration observed in practice is

A) store replenishment.

B) retail event.

C) collaborative assortment.

D) distribution center replenishment.

Answer: <https://biology-forums.com/index.php?topic=787851>

Question 380

A negative NPV for an option indicates that the option will lose money for the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787493>

Question 381

What is the best total cost that Nathan can incur?

A) \$488,644

B) \$492,780

C) \$493,720

D) \$484,382

Answer: <https://biology-forums.com/index.php?topic=787932>

Question 382

A company that tracks inventory and places an order for a lot size Q when the inventory declines to the reorder point (ROP) is using

A) continuous review.

B) daily review.

C) occasional review.

D) periodic review.

Answer: <https://biology-forums.com/index.php?topic=787969>

Question 383

Aggregation reduces the standard deviation of demand only if demand across the regions being aggregated is not perfectly positively correlated. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787953>

Question 384

The cost of wasted capacity is the margin that would have been generated if the capacity had been used for production. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788297>

Question 385

Leaders in many supply chains have started moving

- A) toward independent forecasting to improve their ability to match supply and demand.
- B) toward consecutive forecasting to improve their ability to match supply and demand.
- C) toward sequential forecasting to improve their ability to match supply and demand.
- D) toward collaborative forecasting to improve their ability to match supply and demand.

Answer: <https://biology-forums.com/index.php?topic=787583>

Question 386

Scheduling the workforce so that the available capacity better matches demand is using time flexibility from the workforce. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787717>

Question 387

Weekly demand for 12" hot dogs at Mutt's Amazing Dogs is normally distributed with a mean of 2850 and a standard deviation of 425. The store manager continuously monitors inventory and currently orders 500 hot dogs each time the inventory drops to 6000 frames. The manufacturer currently takes two weeks to fill an order. How much safety inventory does the store carry?

Answer: <https://biology-forums.com/index.php?topic=788020>

Question 388

Ordering costs would include which of the following?

- A) Cost from theft
- B) Transportation cost
- C) Security cost
- D) Damage cost

Answer: <https://biology-forums.com/index.php?topic=787898>

Question 389

_____ forecasting methods assume that the demand forecast is highly correlated with certain factors in the environment (the state of the economy, interest rates, etc.).

- A) Qualitative
- B) Time-series
- C) Causal
- D) Simulation

Answer: <https://biology-forums.com/index.php?topic=787602>

Question 390

The replenishment cycle occurs at the retailer/distributor interface. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787115>

Question 391

The entire set of business processes required to purchase goods and services is

- A) procurement.

- B) sourcing.
- C) supplier scoring and assessment.
- D) supplier selection.

Answer: <https://biology-forums.com/index.php?topic=788197>

Question 392

If the production technology is very inflexible and product requirements vary from one country to another, a firm has to set up

- A) local facilities to serve the market in each country.
- B) a few high-capacity facilities to serve the market in each country.
- C) many local facilities because this helps lower transportation costs.
- D) a few high-capacity facilities because this helps lower transportation costs.

Answer: <https://biology-forums.com/index.php?topic=787453>

Question 393

Which of the following determines the nature of procurement of raw materials, transportation of materials to and from the company, manufacture of the product or operation to provide the service, and distribution of the product to the customer along with follow-up service?

- A) Competitive strategy
- B) Product development strategy
- C) Marketing and sales strategy
- D) Supply chain strategy

Answer: <https://biology-forums.com/index.php?topic=787216>

Question 394

The amount of the asset reserved for the higher price segment is such that the expected marginal revenue from the higher priced segment is less than the price to the lower price segment.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788300>

Question 395

When using a continuous review policy, a manager has to account for the uncertainty of demand during the lead time and the review interval.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787958>

Question 396

Postponement is valuable for a firm that sells a large variety of products with demand that is independent and comparable in size.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788035>

Question 397

The quantity of inventory that a stage of the supply chain either produces or purchases at a given time is

- A) an order.
- B) a job.
- C) a shipment.
- D) a lot or batch.

Answer: <https://biology-forums.com/index.php?topic=787887>

Question 398

The supply chain profit is higher if each stage of the supply chain independently makes its pricing decisions with the objective of maximizing its own profit.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787882>

Question 399

Which of the following defines the set of customer needs that a company seeks to satisfy through its products and services?

- A) Competitive strategy
- B) Product development strategy
- C) Marketing and sales strategy

D) Supply chain strategy

Answer: <https://biology-forums.com/index.php?topic=787217>

Question 400

Stock keeping unit (SKU) storage is the warehousing methodology that uses a traditional warehouse to store all of one type of product together.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787265>

Question 401

In general, traditional brick and mortar retail sales outperform online sales along the dimension of

- A) product variety.
- B) request fulfillment.
- C) time to market for a new product.
- D) order status tracking.

Answer: <https://biology-forums.com/index.php?topic=787394>

Question 402

The advantage of carrying enough manufacturing capacity to meet demand in any period is very low inventory costs, because no inventory needs to be carried from period to period.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787713>

Question 403

Developing countries often create free trade zones where

- A) duties and tariffs are imposed as long as production is used primarily for export.
- B) duties and tariffs are imposed as long as production is used primarily for import.
- C) duties and tariffs are relaxed as long as production is used primarily for export.
- D) duties and tariffs are relaxed as long as production is used primarily for import.

Answer: <https://biology-forums.com/index.php?topic=787457>

Question 404

Network design decisions have a significant impact on performance because they

- A) determine the customer demand.
- B) determine the supply chain conflagration.
- C) set constraints within which inventory, transportation, and information can be used to either decrease supply chain cost or increase responsiveness.
- D) set constraints within which inventory, transportation, and information can be used to either increase supply chain cost or decrease responsiveness.

Answer: <https://biology-forums.com/index.php?topic=787442>

Question 405

The ease with which the customer can place and receive their order as well as other aspects of value that the sales staff provides is

- A) customer experience.
- B) order visibility.
- C) product availability.
- D) response time.

Answer: <https://biology-forums.com/index.php?topic=787360>

Question 406

With reduced demand uncertainty, a supply chain manager can better match supply and demand by reducing both overstocking and understocking.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788031>

Question 407

The quality of the aggregate plan can be improved by using information from

- A) only the local firm.
- B) only downstream partners.
- C) only upstream partners.
- D) all parts of the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787699>

Question 408

A firm may choose to build a flexible global supply chain even in the presence of little demand or supply uncertainty if certainty exists in exchange rates or prices.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787488>

Question 409

Aggregation reduces the standard deviation of demand

- A) only if demand across the regions being aggregated is perfectly positively correlated.
- B) only if demand across the regions being aggregated is not perfectly positively correlated.
- C) even if demand across the regions being aggregated is not perfectly positively correlated.
- D) whenever demand across the regions being aggregated is not perfectly positively correlated.

Answer: <https://biology-forums.com/index.php?topic=787998>

Question 410

Time series forecasting methods are the most difficult methods to implement.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787570>

Question 411

Walmart reported that in California, over _____ percent of waste has been diverted from landfills and made into something else that produces revenue.

- A) 25
- B) 40
- C) 60
- D) 80

Answer: <https://biology-forums.com/index.php?topic=788411>

Question 412

Long term boom and bust cycles that mimic the bullwhip effect include

- A) calendars and greeting cards.
- B) the length of hemlines.
- C) university textbooks.
- D) memory chips for personal computers.

Answer: <https://biology-forums.com/index.php?topic=787814>

Question 413

Which approach to capacity management would use a part-time workforce to increase capacity flexibility by enabling the firm to have more people at work during peak periods?

- A) Time flexibility from workforce
- B) Use of seasonal workforce
- C) Use of subcontracting
- D) Use of dual facilities—dedicated and flexible

Answer: <https://biology-forums.com/index.php?topic=787759>

Question 414

If quick response allows multiple orders in the season, profits increase and the overstock quantity increases.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788033>

Question 415

The _____ is a good measure of forecast error when the underlying forecast has significant seasonality and demand varies considerably from one period to the next.

- A) MAD
- B) MSE

- C) MKE
- D) MAPE

Answer: <https://biology-forums.com/index.php?topic=787624>

Question 416

The inventory that is built up to counter predictable variability in demand is called

- A) cycle inventory.
- B) safety inventory.
- C) seasonal inventory.
- D) sourcing.

Answer: <https://biology-forums.com/index.php?topic=787294>

Question 417

The objective of customer order entry is to maintain a record of product receipt and complete payment.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787111>

Question 418

Supply chain macro processes include which of the following?

- A) Internal Relationship Management (IRM)
- B) Customer Relationship Management (CRM)
- C) External Relationship Management (ERM)
- D) Supply Chain Relationship Management (SCRM)

Answer: <https://biology-forums.com/index.php?topic=787170>

Question 419

Which of the following is a disadvantage of retail storage with customer pickup?

- A) Returnability is easier than other options given that pickup location can handle returns.
- B) Inventory cost is higher than all other options.
- C) Transportation cost is lower than all other options.
- D) Facilities and handling costs are lower than other options.

Answer: <https://biology-forums.com/index.php?topic=787387>

Question 420

The bullwhip effect moves a supply chain away from the efficient frontier by increasing cost and decreasing responsiveness.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787794>

Question 421

A price discount where the discount is based on the total quantity purchased over a given period, regardless of the number of lots purchased over that period, is

- A) customer based.
- B) lot size based.
- C) supplier based.
- D) volume based.

Answer: <https://biology-forums.com/index.php?topic=787918>

Question 422

Firms should use simulation for evaluating decisions when

- A) underlying decision trees are simple and explicit solutions for the underlying decision tree are difficult to obtain.
- B) underlying decision trees are very complex and explicit solutions for the underlying decision tree are difficult to obtain.
- C) underlying decision trees are simple and explicit solutions for the underlying decision tree are easy to obtain.
- D) underlying decision trees are very complex and explicit solutions for the underlying decision tree are easy to obtain.

Answer: <https://biology-forums.com/index.php?topic=787538>

Question 423

Develop a forecast for this data using simple exponential smoothing with an alpha of 0.66. Then calculate MAD, MSE and the tracking signal.

Answer: <https://biology-forums.com/index.php?topic=787633>

Question 424

Use the information from Scenario 8.1 to determine the number of decision variables in this scenario.

- A) 10
- B) 15
- C) 20
- D) 24

Answer: <https://biology-forums.com/index.php?topic=787678>

Question 425

The production scheduling process in the manufacturing cycle is similar to the order entry process in the replenishment cycle.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787118>

Question 426

Which factor favors promotion during low-demand periods?

- A) High margin
- B) High ability to steal market share
- C) High ability to increase overall market
- D) Low margin

Answer: <https://biology-forums.com/index.php?topic=787781>

Question 427

_____ costs increase as the number of facilities in a supply chain increases.

- A) Inventory
- B) Transportation
- C) Retail operation
- D) Information

Answer: <https://biology-forums.com/index.php?topic=787462>

Question 428

The decision to have a third party perform a supply chain function is called

- A) insourcing.
- B) outsourcing.
- C) offshoring.
- D) onshoring.

Answer: <https://biology-forums.com/index.php?topic=788204>

Question 429

Determining how profits will be allocated to different members of the supply chain is a key to successful collaboration.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787725>

Question 430

Use the information from Scenario 6.1 to determine the likelihood of high demand that would make the decision maker indifferent between the two alternatives for a two year operating time.

- A) 0.86
- B) 0.72
- C) 0.28
- D) 0.14

Answer: <https://biology-forums.com/index.php?topic=787546>

Question 431

The functions and stages that devise an integrated strategy with a shared objective are referred to as

- A) competitive strategy.
- B) supply chain strategy.

- C) scope of strategic fit.
- D) scope of marketing strategy.

Answer: <https://biology-forums.com/index.php?topic=787240>

Question 432

Explain why supply chain flows are important.

Answer: <https://biology-forums.com/index.php?topic=787178>

Question 433

Remanufacturing helps improve profits as long as

- A) the comparatively low margin of remanufactured to newly-produced products exists.
- B) the comparatively high cost of remanufacturing to newly-produced products exists.
- C) the fear exists that remanufactured products will be purchased instead of newly-produced products.
- D) two distinct segments of demand exist for the product — one for new and one for old products.

Answer: <https://biology-forums.com/index.php?topic=788429>

Question 434

The value that potential customers place on product cost and delivery time determines a company's

- A) customer needs.
- B) competitive strategy.
- C) supply chain surplus.
- D) product life cycle.

Answer: <https://biology-forums.com/index.php?topic=787205>

Question 435

In the textbook, a detailed analysis by Abbott indicated that their indirect emissions were about _____ times their direct emissions.

- A) 1 to 5
- B) 6 to 14
- C) 15 to 19
- D) 20 to 22

Answer: <https://biology-forums.com/index.php?topic=788405>

Question 436

Which of the following is a commonly used measure for measuring forecast error?

- A) MDE
- B) MKE
- C) MAD
- D) MES

Answer: <https://biology-forums.com/index.php?topic=787623>

Question 437

A carbon tax system is computed by multiplying the tax rate by the carbon emissions.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788387>

Question 438

What is the standard deviation of demand during their lead time?

- A) 45 phones
- B) 64 phones
- C) 90 phones
- D) 109 phones

Answer: <https://biology-forums.com/index.php?topic=787981>

Question 439

Which contract increases the margin for the dealer as sales cross certain levels?

- A) Buyback or returns contract
- B) Revenue-sharing contract

- C) Quantity flexibility contract
- D) Threshold contract

Answer: <https://biology-forums.com/index.php?topic=788236>

Question 440

Network design decisions have a significant impact on performance because they determine the supply chain configuration and set constraints within which inventory, transportation, and information can be used to either decrease supply chain cost or increase responsiveness.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787413>

Question 441

The present value of a future stream of cash flows is what that stream

- A) was worth in yesterday's dollars.
- B) is worth in today's dollars.
- C) will be worth in future dollars.
- D) might be worth in future dollars.

Answer: <https://biology-forums.com/index.php?topic=787519>

Question 442

Unilever, the Dutch-British consumer goods giant, has invested significant effort to help emerging economies such as Brazil and India wrestle with poverty, water scarcity and climate change. The company sees _____ of its sales and the majority of its growth coming from emerging economies.

- A) almost 25%
- B) almost 50%
- C) almost 60%
- D) almost 75%

Answer: <https://biology-forums.com/index.php?topic=788392>

Question 443

Safety capacity is defined as capacity used to satisfy demand that is lower than forecasted.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787648>

Question 444

The procurement process for direct materials should focus on

- A) improving coordination and visibility with the supplier.
- B) decreasing the transaction cost for each order.
- C) consolidation of orders to take advantage of economies of scale and quantity discounts.
- D) minimizing communication with the supplier.

Answer: <https://biology-forums.com/index.php?topic=788243>

Question 445

Which of the following would be a characteristic of a facility with little excess capacity?

- A) Allows a facility to be very flexible and to respond to wide swings in the demands placed on it
- B) Costs money and therefore can decrease efficiency
- C) Requires proximity to customers and the rest of the network
- D) Will likely be more efficient per unit of product it produces

Answer: <https://biology-forums.com/index.php?topic=787289>

Question 446

Which cost should reflect the incremental change in space cost due to changing cycle inventory?

- A) Cost of capital
- B) Obsolescence (spoilage) cost
- C) Handling cost
- D) Occupancy cost

Answer: <https://biology-forums.com/index.php?topic=787935>

Question 447

A facility with little excess capacity will likely be no more or less efficient per unit of product it produces than one with a lot of unused capacity.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787263>

Question 448

An increase in forecast accuracy increases both the overstocked and understocked quantity and decreases a firm's profits.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788032>

Question 449

Intercompany scope is broader than intrafunctional scope.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787199>

Question 450

The appropriate discount rate used in decision tree methodology
A) should be risk-adjusted and risk may vary by period and decision node.
B) should be risk-adjusted and risk may not vary by period and decision node.
C) should not be risk-adjusted and risk may vary by period and decision node.
D) should not be risk-adjusted and risk may not vary by period and decision node.

Answer: <https://biology-forums.com/index.php?topic=787537>

Question 451

A firm that uses a temporary workforce during the peak season to increase capacity to match demand is using a seasonal workforce.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787719>

Question 452

As retailers decrease the level of safety inventory they carry, the distributor will have to
A) decrease his or her safety inventory.
B) increase his or her safety inventory.
C) keep his or her safety inventory at the same level.
D) increase his or her cycle inventory.

Answer: <https://biology-forums.com/index.php?topic=788010>

Question 453

The capacity management approach where a firm purchases peak production from another firm so that internal production remains level and can be done cheaply is
A) time flexibility from workforce.
B) the use of seasonal workforce.
C) the use of subcontracting.
D) the use of dual facilities—dedicated and flexible.

Answer: <https://biology-forums.com/index.php?topic=787751>

Question 454

Ignoring uncertainty in demand encourages a greater use of
A) expensive but flexible transportation modes.
B) inexpensive and inflexible transportation modes.
C) inexpensive and flexible transportation modes.
D) expensive and inflexible transportation modes.

Answer: <https://biology-forums.com/index.php?topic=788169>

Question 455

The key weakness of the _____ view is that different functions within a firm may have conflicting objectives.
A) Intrafunctional scope
B) Intraoperation scope
C) Interfunctional scope

D) Intercompany scope

Answer: <https://biology-forums.com/index.php?topic=787242>

Question 456

It is very important that long-term consequences be thought through when making facility decisions, because

- A) network designers can use this fact to influence the role of the new facility and the focus of people working there.
- B) facilities last a long time and have an enduring impact on a firm's performance.
- C) it is astounding how often tax incentives drive the choice of location.
- D) the location of a facility has a significant impact on the extent and form of communication that develops in the supply chain network.

Answer: <https://biology-forums.com/index.php?topic=787472>

Question 457

If price and demand do vary over time in a global network,

- A) flexible production capacity should not be used in the new environment.
- B) flexible production capacity will be ineffective in the new environment.
- C) flexible production capacity can be reconfigured to maximize profits in the new environment.
- D) flexible production capacity should never be used in an uncertain environment.

Answer: <https://biology-forums.com/index.php?topic=787548>

Question 458

Under a cap-and-trade system, a firm that emits more than its share of carbon can buy allowances from a firm that emits less than its share.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788388>

Question 459

Discuss the information required for aggregate planning.

Answer: <https://biology-forums.com/index.php?topic=787706>

Question 460

When designing supply chain networks, companies must build appropriate flexibility to help counter fluctuations in exchange rates and demand across different countries.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787422>

Question 461

The opportunities from globalization are often accompanied by

- A) a lack of domestic opportunities.
- B) the need to eliminate the accounting function.
- C) significant additional risk.
- D) the need to eliminate the logistics function.

Answer: <https://biology-forums.com/index.php?topic=787508>

Question 462

Managers can improve coordination within the supply chain by

- A) holding product in inventory but off official inventory records.
- B) listing product in inventory without actually holding the physical goods.
- C) aligning goals and incentives.
- D) decreasing product visibility.

Answer: <https://biology-forums.com/index.php?topic=787835>

Question 463

The impact of the lack of coordination on supply chain processes decreases for the following measure:

- A) manufacturing cost.
- B) level of product availability.
- C) transportation cost.
- D) replenishment lead time.

Answer: <https://biology-forums.com/index.php?topic=787823>

Question 464

Much of the actual cost of recycling or remanufacturing is directly linked to:

- A) the repair.
- B) the logistics.
- C) the production.
- D) the design.

Answer: <https://biology-forums.com/index.php?topic=788431>

Question 465

Explain the push/pull view of the processes within a supply chain.

Answer: <https://biology-forums.com/index.php?topic=787181>

Question 466

Although faster transportation is more expensive, a firm receives which benefit as a result of the faster transportation?

- A) Fewer rejects
- B) Higher profit
- C) Lower inventories
- D) More warehouses

Answer: <https://biology-forums.com/index.php?topic=787300>

Question 467

Discuss key issues when managing predictable variability of demand within a supply chain.

Answer: <https://biology-forums.com/index.php?topic=787788>

Question 468

A poor aggregate plan may result in a large amount of excess inventory and capacity, thereby raising costs.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787642>

Question 469

The objective of customer order fulfillment is to

- A) get the correct orders to customers by the promised due date at the lowest possible cost.
- B) maintain a record of product receipt and complete payment.
- C) maximize the conversion of customer arrivals to customer orders.
- D) ensure that orders are quickly and accurately entered and communicated to other affected supply chain processes.

Answer: <https://biology-forums.com/index.php?topic=787156>

Question 470

Because demand and supply characteristics change, the supply chain strategy must change over the product life cycle if a company is to continue achieving strategic fit.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787192>

Question 471

A distributor makes investment decisions regarding the transportation infrastructure and then makes operating decisions to try to maximize the return from these assets.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788102>

Question 472

In this approach to managing capacity, a firm subcontracts peak production so that internal production remains level and can be done cheaply.

- A) Time flexibility from workforce
- B) Use of subcontracting
- C) Use of dual facilities—specialized and flexible
- D) Use of seasonal workforce

Answer: <https://biology-forums.com/index.php?topic=787746>

Question 473

Continuous review policies for inventory replenishment require safety inventory to cover demand during

- A) lead time only.
- B) the review interval only.
- C) both lead time and the review interval.
- D) neither lead time or the review interval.

Answer: <https://biology-forums.com/index.php?topic=788006>

Question 474

Forecasting errors are dealt with in aggregate plans using either safety backlog or safety capacity.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787646>

Question 475

Temporal aggregation

- A) is the process of combining orders across time.
- B) increases a firm's responsiveness.
- C) decreases transportation costs because of economies of scale.
- D) all of the above

Answer: <https://biology-forums.com/index.php?topic=788154>

Question 476

The cost of carrying one unit in inventory for a specified period of time, usually one year, is referred to as

- A) the material cost and is denoted by C.
- B) the fixed ordering cost and is denoted by S.
- C) the holding cost and is denoted by H.
- D) the purchase price and is denoted by P.

Answer: <https://biology-forums.com/index.php?topic=787897>

Question 477

Sharing of POS data helps reduce the bullwhip effect because it allows each stage of the supply chain to use orders from the previous stage to forecast future demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787804>

Question 478

The appropriate level of safety inventory is determined by the uncertainty of both demand and supply and the desired level of cycle inventory.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787944>

Question 479

The process by which a company determines levels of capacity, production, subcontracting, inventory, stockouts, and even pricing over a specified time horizon is

- A) aggregate planning.
- B) detail planning.
- C) inventory planning.
- D) sales planning.

Answer: <https://biology-forums.com/index.php?topic=787655>

Question 480

Which of the following is an advantage of manufacturer storage with direct shipping?

- A) Transportation costs are low because the average outbound distance to the end consumer is small and package carriers are used to shipping the product.
- B) Supply chains save on the fixed cost of facilities, because the need for other warehousing space in the supply chain has been eliminated.
- C) Response times tend to be small because the order has to be transmitted from the retailer to the manufacturer.

D) Order tracking is easy to implement because of the complete integration of information systems at both the retailer and the manufacturer.
Answer: <https://biology-forums.com/index.php?topic=787371>

Question 481

Qualitative forecasting methods are most appropriate when there is good historical data available or when experts do not have market intelligence that is critical in making the forecast.
Is this T/F?
Answer: <https://biology-forums.com/index.php?topic=787569>

Question 482

Which distribution network is also referred to as drop-shipping with product delivered directly from the manufacturer to the customer location?
A) Manufacturer storage with direct shipping
B) Manufacturer storage with direct shipping and in-transit merge
C) Distributor storage with package carrier delivery
D) Distributor storage with last mile delivery
Answer: <https://biology-forums.com/index.php?topic=787370>

Question 483

This company has not hit its targets for the use of renewable energy because these sources have higher costs compared to other sources of energy. In general, the public has not been willing to pay for the added costs.
A) Walmart
B) IKEA
C) IBM
D) 3M
Answer: <https://biology-forums.com/index.php?topic=788423>

Question 484

The replenishment cycle occurs at the
A) customer/retailer interface.
B) retailer/distributor interface.
C) distributor/manufacturer interface.
D) manufacturer/supplier interface.
Answer: <https://biology-forums.com/index.php?topic=787158>

Question 485

An online grocery store has a distinct advantage over a traditional model in the area of
A) Processing costs
B) Transportation costs
C) Facility costs
D) Information costs
Answer: <https://biology-forums.com/index.php?topic=787398>

Question 486

When a firm uses production with postponement to satisfy a part of its demand with the rest being satisfied without postponement, it is using
A) adjustable postponement.
B) flexible postponement.
C) managed postponement.
D) tailored postponement.
Answer: <https://biology-forums.com/index.php?topic=788074>

Question 487

Aggregate planning should consider information from
A) only the enterprise as its breadth of scope.
B) downstream partners to produce forecasts.
C) upstream partners to determine constraints.
D) all of the above
Answer: <https://biology-forums.com/index.php?topic=787669>

Question 488

The decision phases in a supply chain include

- A) production scheduling.
- B) customer relationship management.
- C) supply chain operation.
- D) supply chain orientation.

Answer: <https://biology-forums.com/index.php?topic=787141>

Question 489

The result when each stage in the supply chain makes its own separate forecast is often a match between supply and demand because these forecasts are often very different.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787562>

Question 490

_____ forecasting methods use historical demand to make a forecast.

- A) Qualitative
- B) Time-series
- C) Causal
- D) Simulation

Answer: <https://biology-forums.com/index.php?topic=787604>

Question 491

Most concrete action has been observed primarily when a focus on sustainability

- A) increases revenue for sustainability initiatives.
- B) makes the world more sustainable.
- C) attracts customers who value sustainability.
- D) reduces risk and improving the financial performance of the supply chain.

Answer: <https://biology-forums.com/index.php?topic=788389>

Question 492

Describe the impact of trade promotions on cycle inventory.

Answer: <https://biology-forums.com/index.php?topic=787937>

Question 493

Outbound transportation costs per unit tend to be

- A) about the same as inbound costs.
- B) higher than inbound costs.
- C) lower than inbound costs.
- D) neither higher or lower than inbound costs.

Answer: <https://biology-forums.com/index.php?topic=787364>

Question 494

The decision to use overbooking will

- A) lead to upset customers and a high cost of providing them space.
- B) lead to unutilized assets and lost revenue.
- C) lead to reduced profits.
- D) depend upon optimization to be successful.

Answer: <https://biology-forums.com/index.php?topic=788359>

Question 495

In general, the further up the supply chain a company is (or the further they are from the consumer),

- A) the greater the distortion of information they receive.
- B) the smaller the distortion of information they receive.
- C) the information they receive is more accurate.
- D) the information they receive is more useful.

Answer: <https://biology-forums.com/index.php?topic=787593>

Question 496

_____ measures the average time between when an order is placed and the product arrives.

- A) Supplier reliability
- B) Supply lead time
- C) Fraction of on-time deliveries
- D) Supply quality

Answer: <https://biology-forums.com/index.php?topic=787313>

Question 497

Faced with a 3000 taco capacity constraint, what is the optimal number of fish tacos to prepare?

- A) 2283
- B) 1736
- C) 1868
- D) 2000

Answer: <https://biology-forums.com/index.php?topic=788088>

Question 498

The movement of product from one location to another as it makes its way from the beginning of a supply chain to the customer's hands is referred to as

- A) transportation.
- B) retailing.
- C) distribution.
- D) manufacturing.

Answer: <https://biology-forums.com/index.php?topic=788121>

Question 499

Periodic review policies require

- A) more safety inventory than continuous review policies for the same level of product availability.
- B) less safety inventory than continuous review policies for the same level of product availability.
- C) the same safety inventory as continuous review policies for the same level of product availability.
- D) no more safety inventory than continuous review policies for the same level of product availability.

Answer: <https://biology-forums.com/index.php?topic=788007>

Question 500

The forecast of demand forms the basis for all strategic and planning decisions in a supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787560>

Question 501

Explain how supply chain network design decisions are classified.

Answer: <https://biology-forums.com/index.php?topic=787480>

Question 502

When performing aggregate planning, the goal of all firms in the supply chain should be to maximize individual firm profits.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787724>

Question 503

Inventory holding costs would include which of the following?

- A) Transportation cost
- B) Buyer time
- C) Obsolescence cost
- D) Receiving cost

Answer: <https://biology-forums.com/index.php?topic=787899>

Question 504

How do improperly structured incentives lead to a lack of coordination in the supply chain?

Answer: <https://biology-forums.com/index.php?topic=787862>

Question 505

A company would decide whether to outsource or perform a supply chain function in-house during the

- A) planning phase.
- B) design phase.
- C) tactical phase.
- D) operation phase.

Answer: <https://biology-forums.com/index.php?topic=787142>

Question 506

The expected shortage per replenishment cycle (ESC) is

- A) the units of demand that are not satisfied from inventory in stock in a given replenishment cycle.
- B) the units of demand that are satisfied from inventory in stock in a given replenishment cycle.
- C) the average units of demand that are not satisfied from inventory in stock per replenishment cycle.
- D) the average units of demand that are satisfied from inventory in stock per replenishment cycle.

Answer: <https://biology-forums.com/index.php?topic=787989>

Question 507

A beekeeper sends out crates of honey to a number of customers. The shipping cost is a function of the gasoline prices that day and the size of the truck used for delivery. For any shipment exceeding 3000 pounds, the truck rental is \$600 and for a shipment weight less than 3000, the truck rental is \$450.

Units Weight Weight Fee

6 156 \$703.56

87 2175 \$9,461.25

23 575 \$2,265.50

149 3874 \$17,084.34

203 5075 \$1,9944.75

212 5724 \$2,2552.56

90 2340 \$10,272.60

28 700 \$3,066.00

What is the average outbound transportation cost?

- A) \$4.34 per pound
- B) \$4.14 per pound
- C) \$4.24 per pound
- D) \$4.44 per pound

Answer: <https://biology-forums.com/index.php?topic=787301>

Question 508

Transportation cost depends on the prices offered by different carriers and the extent to which the shipper uses inexpensive and slow, or expensive and fast, means of transportation.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788107>

Question 509

Tariffs, economies of scale and aggregate factor costs mostly affect which of the four Global Network Design Decisions?

- A) Phase I - Supply Chain Strategy
- B) Phase II - Regional Facility Configuration
- C) Phase III - Desirable Sites
- D) Phase IV - Location Choices

Answer: <https://biology-forums.com/index.php?topic=787465>

Question 510

Which of the following is the fastest delivery method of transportation?

- A) Rail
- B) Truck
- C) Air
- D) Intermodal

Answer: <https://biology-forums.com/index.php?topic=788128>

Question 511

Use the information from Scenario 8.1 to determine the objective function for this scenario.

- A) Max Output = + +
- B) Max Profit = - \$5 - \$7.5 - \$9 -
- C) Min Cost = \$5 + \$7.5 + \$9 + \$2
- D) Min Output = +

Answer: <https://biology-forums.com/index.php?topic=787680>

Question 512

What should the price be in period 3?

- A) \$185.13
- B) \$181.27
- C) \$177.43
- D) \$173.61

Answer: <https://biology-forums.com/index.php?topic=788340>

Question 513

Discuss key issues of forecasting in practice.

Answer: <https://biology-forums.com/index.php?topic=787634>

Question 514

Explain why forecasting is important to revenue management.

Answer: <https://biology-forums.com/index.php?topic=788367>

Question 515

Wastage occurs if higher price buyers have to be turned away because the capacity has already been committed to lower price buyers.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788261>

Question 516

Improvement in supply chain performance at the result of distributors occurs for which of the following reasons?

- A) Reduction in transportation cost because of LTL shipments from manufacturers to distributor.
- B) Reduction in outbound transportation cost because the distributor combines products from many customers into a single outbound shipment.
- C) Reduction in inventory costs because distributor disaggregates safety inventory rather than aggregating at each retailer.
- D) A more stable order stream from distributor to manufacturer (compared to erratic orders from each retailer) allows manufacturers to lower cost by planning production more effectively.

Answer: <https://biology-forums.com/index.php?topic=787389>

Question 517

The use of software to determine transportation routes has been the most common IT application in transportation.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788120>

Question 518

Cost of Goods Sold (COGS) represents

- A) less than 20 percent of sales for most major manufacturers.
- B) less than 50 percent of sales for most major manufacturers.
- C) well over 50 percent of sales for most major manufacturers.
- D) well over 80 percent of sales for most major manufacturers.

Answer: <https://biology-forums.com/index.php?topic=788199>

Question 519

The production scheduling process in the manufacturing cycle is similar to the

- A) order receiving process in the replenishment cycle.
- B) order fulfillment process in the replenishment cycle.
- C) order entry process in the replenishment cycle.
- D) order trigger process in the replenishment cycle.

Answer: <https://biology-forums.com/index.php?topic=787162>

Question 520

The total amount paid to various carriers for transporting products to customers is

- A) transportation cost.
- B) inventory cost.
- C) facility cost.
- D) processing cost.

Answer: <https://biology-forums.com/index.php?topic=788150>

Question 521

If higher price buyers have to be turned away because the capacity has already been committed to lower price buyers, this is

- A) spill.
- B) spoilage.
- C) wastage.
- D) excess.

Answer: <https://biology-forums.com/index.php?topic=788321>

Question 522

A downside to which contract is that it leads to surplus inventory that must be salvaged or disposed?

- A) Buyback or returns contract
- B) Revenue-sharing contract
- C) Quantity flexibility contract
- D) Hybrid contract

Answer: <https://biology-forums.com/index.php?topic=788234>

Question 523

According to its 2011 CSR report, _____ has designed and opened a viable store prototype that is up to 25 to 30 percent more energy efficient and produces up to 30 percent fewer greenhouse gas emissions compared to the 2005 baseline.

- A) Starbucks
- B) TJ Maxx
- C) Walmart
- D) Kmart

Answer: <https://biology-forums.com/index.php?topic=788409>

Question 524

The forecasting function is

- A) the foundation of any revenue management system.
- B) unnecessary for a revenue management system.
- C) an added plus for any revenue management system.
- D) likely to create problems for any revenue management system.

Answer: <https://biology-forums.com/index.php?topic=788357>

Question 525

Which of the following is an advantage of distributor storage with last mile delivery?

- A) It is more expensive to provide product availability than any other option except retail stores.
- B) Inventory cost is higher than distributor storage with package carrier delivery.
- C) Response time is very quick ranging from same day to next day delivery.
- D) Transportation cost is higher than any other distribution option.

Answer: <https://biology-forums.com/index.php?topic=787380>

Question 526

In most instances, CRP systems are driven by

- A) the withdrawal of inventory from distributor warehouses.
- B) the withdrawal of materials from supplier warehouses.
- C) the withdrawal of goods customer pantry shelves.
- D) the withdrawals of inventory from retailer warehouses.

Answer: <https://biology-forums.com/index.php?topic=787843>

Question 527

In general, as the fraction of increased demand coming from forward buying grows, offering the promotion during the peak demand period becomes

- A) less attractive.
- B) more attractive.
- C) more profitable.
- D) less significant.

Answer: <https://biology-forums.com/index.php?topic=787775>

Question 528

The basis for all strategic and planning decisions in a supply chain comes from

- A) the forecast of demand.
- B) sales targets.
- C) profitability projections.
- D) production efficiency goals.

Answer: <https://biology-forums.com/index.php?topic=787578>

Question 529

Given a lot size of Q (which is also the average demand in a replenishment cycle),

- A) the fraction of demand lost is thus $ESC + Q$.
- B) the fraction of demand lost is thus $ESC - Q$.
- C) the fraction of demand lost is thus ESC/Q .
- D) the fraction of demand lost is thus $ESC \times Q$.

Answer: <https://biology-forums.com/index.php?topic=787990>

Question 530

Reducing greenhouse gas emissions was most cost effectively achieved by

- A) rejecting the model of maximization of shareholder wealth as the firm objective.
- B) adherence to ISO 14000 standards.
- C) subsidizing companies that
- D) charging for emissions.

Answer: <https://biology-forums.com/index.php?topic=788435>

Question 531

Walmart started its focus on sustainability as a defensive move given the beating it was taking from environmental activists.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788370>

Question 532

Sourcing processes include the selection of suppliers, design of supplier contracts, product design collaboration, procurement of material, and evaluation of supplier performance.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788176>

Question 533

Zara sources basic products such as white t-shirts from low cost countries because demand is predictable. For trendy products for which demand is unpredictable, Zara sources from company-owned higher cost factories in Europe. For the predictable demand, Zara strives for _____ and for the unpredictable demand, Zara hopes to achieve _____.

- A) social responsibility, quality

- B) flexibility, social responsibility
C) efficiency, flexibility
D) quality, efficiency

Answer: <https://biology-forums.com/index.php?topic=787314>

Question 534

Faced with predictable variability of demand, a company's goal is to respond in a manner that maximizes profitability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787712>

Question 535

A firm can vary supply of product by controlling

- A) inventory.
B) pricing.
C) demand.
D) revenue.

Answer: <https://biology-forums.com/index.php?topic=787742>

Question 536

A goal of any supply chain manager is to reduce the level of safety inventory required regardless of the affect product availability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787950>

Question 537

Distribution is a key driver of the overall profitability of a firm because

- A) the addition of distributors only adds cost to the supply chain.
B) it directly impacts both the supply chain cost and the customer experience.
C) it slows down the responsiveness of the supply chain.
D) it cannot be developed as a part of supply chain strategy.

Answer: <https://biology-forums.com/index.php?topic=787355>

Question 538

The goal of every supply chain should be to track its

- A) landfill inventory.
B) transportation utilization.
C) water consumption.
D) packaging materials.

Answer: <https://biology-forums.com/index.php?topic=788426>

Question 539

Which mode of transportation is used primarily for petroleum and natural gas?

- A) Air
B) Truck
C) Water
D) Pipeline

Answer: <https://biology-forums.com/index.php?topic=788135>

Question 540

The availability of suppliers, transportation services, communication, utilities, and warehousing infrastructure mostly affect which of the four Global Network Design Decisions?

- A) Phase I - Supply Chain Strategy
B) Phase II - Regional Facility Configuration
C) Phase III - Desirable Sites
D) Phase IV - Location Choices

Answer: <https://biology-forums.com/index.php?topic=787464>

Question 541

In case demand in different geographical regions is about the same size and independent, aggregation increases safety inventory by the square root of the number of areas aggregated.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787954>

Question 542

Both _____ and _____ increase as the safety inventory is increased.

- A) fill rate, cycle service level
- B) lead time, cycle service level
- C) fill rate, lead time
- D) reorder point, lead time

Answer: <https://biology-forums.com/index.php?topic=787978>

Question 543

Demand is forecast for the next five months as 200, 300, 500, 300, 200. The production planner decides to adopt a level strategy, so over the next five months they should produce

- A) 200, 300, 500, 300, 200.
- B) 500, 400, 300, 200, 100.
- C) 100, 200, 300, 400, 500.
- D) 300, 300, 300, 300, 300.

Answer: <https://biology-forums.com/index.php?topic=787674>

Question 544

A company's product development strategy defines the set of customer needs that it seeks to satisfy through its products and services.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787186>

Question 545

How many months does the regular time output exceed plant capacity in the optimal solution to Scenario 8.2?

- A) 0
- B) 1
- C) 2
- D) 3

Answer: <https://biology-forums.com/index.php?topic=787687>

Question 546

For push processes, a manager must forecast what customer demand will be in order to

- A) plan the service level.
- B) plan the level of available capacity and inventory.
- C) plan the level of productivity.
- D) plan the level of production.

Answer: <https://biology-forums.com/index.php?topic=787579>

Question 547

The Mumbai dabbawalas perform

- A) a forward logistics function.
- B) a reverse logistics function.
- C) both a forward and a reverse logistics function.
- D) neither a forward nor a reverse logistics function.

Answer: <https://biology-forums.com/index.php?topic=788148>

Question 548

The present value of future cash flow is found by

- A) locating the correct factor on a z-table.
- B) using a discount factor.
- C) plotting the function on a graph.
- D) adding the total of all future cash flows.

Answer: <https://biology-forums.com/index.php?topic=787521>

Question 549

Walmart's supply chain features clusters of stores around distribution centers, which facilitates

- A) high transportation costs.
- B) frequent but inexpensive replenishment at the stores.
- C) rapid design cycles from their R&D group.
- D) sharing of information with suppliers.

Answer: <https://biology-forums.com/index.php?topic=787139>

Question 550

Aggregate forecasts are usually more accurate than disaggregate forecasts because

- A) aggregate forecasts tend to have a larger standard deviation of error relative to the mean.
- B) aggregate forecasts tend to have a smaller standard deviation of error relative to the mean.
- C) disaggregate forecasts tend to have a smaller standard deviation of error relative to the mean.
- D) disaggregate forecasts tend to have less standard deviation of error relative to the mean.

Answer: <https://biology-forums.com/index.php?topic=787592>

Question 551

The decision with the highest NPV (net present value) will provide a supply chain with

- A) the highest financial return.
- B) the lowest financial return.
- C) a reasonable financial return.
- D) the least desirable financial return.

Answer: <https://biology-forums.com/index.php?topic=787526>

Question 552

It is important for the firm to structure its revenue management program in a way that

- A) it is presented simply as a mechanism for extracting maximum revenue.
- B) revenue increases while improving service along some dimension that is important to customers that pay the highest price.
- C) profit is maximized.
- D) all of the above

Answer: <https://biology-forums.com/index.php?topic=788360>

Question 553

Firms focusing on cost leadership tend to

- A) locate facilities close to the market they serve.
- B) locate facilities very far from the market they serve.
- C) find the lowest cost location for their manufacturing facilities.
- D) select a high-cost location to be able to react quickly.

Answer: <https://biology-forums.com/index.php?topic=787444>

Question 554

A static method of forecasting

- A) assumes that the estimates of level, trend, and seasonality within the systematic component do not vary as new demand is observed.
- B) assumes that the estimates of level, trend, and seasonality within the systematic component vary as new demand is observed.
- C) the estimates of level, trend, and seasonality are updated after each demand observation.
- D) All of the above are true.

Answer: <https://biology-forums.com/index.php?topic=787608>

Question 555

The cost of underselling is a key factor that influences the optimal level of product availability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788028>

Question 556

The cost of a capacity shortage is

- A) the reduction in margin that results from having to go to a backup source.
- B) the margin that would have been generated if the capacity had been used for production.
- C) the productivity increase generated when the capacity is used for production.
- D) the sales potential of excess capacity kept in reserve for emergency production.

Answer: <https://biology-forums.com/index.php?topic=788336>

Question 557

Cycle inventory exists because producing or purchasing in large lots allows a stage of the supply chain to exploit economies of scale and increase cost.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787866>

Question 558

All transportation decisions should be evaluated based on their effect on

- A) transportation costs.
- B) fuel costs.
- C) total costs.
- D) sales revenue.

Answer: <https://biology-forums.com/index.php?topic=787836>

Question 559

Why should on-time performance be considered in supplier selection decisions?

Answer: <https://biology-forums.com/index.php?topic=788249>

Question 560

In volume-based tailored sourcing,

- A) the predictable part of a product's demand is produced at an efficient facility.
- B) the uncertain portion is produced at an efficient facility.
- C) the predictable part of a product's demand is produced at a flexible facility.
- D) the predictable part of a product's demand is outsourced.

Answer: <https://biology-forums.com/index.php?topic=788080>

Question 561

For most firms, the extent of direct emissions is typically only a small fraction of the extent of indirect emissions in the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788378>

Question 562

The aggregate planning problem is concerned with determining the production level, inventory level, and capacity level (internal and outsourced) for each period that maximizes the firm's profit over the planning horizon.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787639>

Question 563

Explain the impact of supplier lead time on safety inventory.

Answer: <https://biology-forums.com/index.php?topic=788016>

Question 564

Shifting demand from peak to off-peak periods is beneficial if the discount given

- A) during the off-peak period is more than offset by the decrease in cost because of a larger peak.
- B) during the off-peak period is more than offset by the decrease in cost because of a smaller peak.
- C) during the peak period is more than offset by the decrease in cost because of a smaller peak.
- D) during the peak period is more than offset by the decrease in cost because of a larger peak.

Answer: <https://biology-forums.com/index.php?topic=788348>

Question 565

The loss incurred by a firm for each unsold unit at the end of the selling season is

- A) the cost of overstocking the product.
- B) the cost of stocking the product.
- C) the cost of understocking the product.
- D) the cost of overselling the product.

Answer: <https://biology-forums.com/index.php?topic=788050>

Question 566

A third party can increase the supply chain surplus by aggregating demand across multiple firms and gaining production economies of scale that no single firm can on its own. This is called

- A) capacity aggregation.
- B) inventory aggregation.
- C) warehouse aggregation.
- D) relationship aggregation.

Answer: <https://biology-forums.com/index.php?topic=788206>

Question 567

Describe managerial levers to increase profitability within a supply chain.

Answer: <https://biology-forums.com/index.php?topic=788096>

Question 568

The inventory held in case demand exceeds expectation in order to counter uncertainty is called

- A) cycle inventory.
- B) safety inventory.
- C) seasonal inventory.
- D) sourcing.

Answer: <https://biology-forums.com/index.php?topic=787295>

Question 569

The operational parameter concerned with the number of workers/units of capacity needed for production is

- A) production rate.
- B) workforce.
- C) overtime.
- D) backlog.

Answer: <https://biology-forums.com/index.php?topic=787661>

Question 570

A key issue facing Toyota is

- A) developing an Internet marketing system.
- B) whether to specialize in a particular market.
- C) design of its global production and distribution network.
- D) how to implement model changes.

Answer: <https://biology-forums.com/index.php?topic=787138>

Question 571

The moving average forecast method is used when demand has an observable trend or seasonality.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787575>

Question 572

Explain scope of strategic fit.

Answer: <https://biology-forums.com/index.php?topic=787258>

Question 573

List and explain the three basic steps to achieving strategic fit.

Answer: <https://biology-forums.com/index.php?topic=787256>

Question 574

The rate of return k is also referred to as the

- A) discount rate.
- B) hurdle rate.
- C) opportunity cost of capital.
- D) all of the above

Answer: <https://biology-forums.com/index.php?topic=787523>

Question 575

The aggregate plan needs to

- A) be a final product because changes are disruptive to the supply chain.
- B) be considered fixed because forecasts are usually accurate.
- C) have some flexibility built into it because forecasts are always wrong.
- D) have some flexibility built into it because forecasts are usually right.

Answer: <https://biology-forums.com/index.php?topic=787702>

Question 576

Traditionally, much of aggregate planning is focused within an enterprise and may not always be seen as a part of supply chain management. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787637>

Question 577

Describe the factors that influence supply chain network design decisions.

Answer: <https://biology-forums.com/index.php?topic=787481>

Question 578

The skillful supply chain manager declared she would not only disaggregate cycle inventory, but she would also aggregate safety inventory and use an inexpensive mode of transportation for replenishing cycle inventory and fast mode when using safety inventory for her product that had

- A) high value and high demand.
- B) high value and low demand.
- C) low value and high demand.
- D) low value and low demand.

Answer: <https://biology-forums.com/index.php?topic=788162>

Question 579

The cost of various facilities in the shipper's supply chain network is

- A) transportation cost.
- B) inventory cost.
- C) facility cost.
- D) processing cost.

Answer: <https://biology-forums.com/index.php?topic=788152>

Question 580

The disadvantage of building up inventory during the off season to meet demand during peak seasons and keep production stable year round is

- A) very low inventory costs because no inventory needs to be carried from period to period.
- B) very high inventory costs because inventory needs to be carried from period to period.
- C) in the fact that a firm could get by with a smaller, less expensive factory.
- D) in the fact that a firm could get by with a larger, more expensive factory.

Answer: <https://biology-forums.com/index.php?topic=787737>

Question 581

The use of one product to satisfy demand for a different product is

- A) information centralization.
- B) specialization.
- C) product substitution.
- D) component commonality.

Answer: <https://biology-forums.com/index.php?topic=788001>

Question 582

_____ is a social arrangement that encourages all participants to behave such that they do not contribute to the tragedy of the commons.

- A) A zero sum game
- B) Escalation of commitment
- C) Mutual coercion
- D) Barzini Red

Answer: <https://biology-forums.com/index.php?topic=788396>

Question 583

The push/pull view of a supply chain holds that

- A) the processes in a supply chain are divided into a series of activities performed at the interface between successive stages.
- B) all processes in a supply chain are initiated in response to a customer order.
- C) all responses in a supply chain are performed in anticipation of customer orders.
- D) the processes in a supply chain are divided into 2 categories depending on whether they are initiated in response to or in anticipation of customer orders.

Answer: <https://biology-forums.com/index.php?topic=787149>

Question 584

Supply chain network design decisions classified as capacity allocation are concerned with

- A) what processes are performed at each facility.
- B) where facilities should be located.
- C) how much capacity should be allocated to each facility.
- D) what markets each facility should serve and which supply sources should feed each facility.

Answer: <https://biology-forums.com/index.php?topic=787431>

Question 585

The XYZ Company has an assembly plant in Cincinnati and its parts plant in Indianapolis. Parts are transported from Indianapolis to Cincinnati using trucks. Each shipment costs \$100. The Cincinnati plant assembles and sells 300 finished products each day and operates 50 weeks a year. Part #456 costs \$50 and XYZ Company incurs a holding cost of 20 percent per year. How many of part #456 should XYZ Company put in each shipment? What is the cycle inventory of part #456 at XYZ Company?

Answer: <https://biology-forums.com/index.php?topic=787939>

Question 586

Supply chain responsiveness includes the ability to do which of the following?

- A) Understand customers and supply chain
- B) Match supply chain responsiveness with the implied uncertainty of demand
- C) Meet short lead times
- D) Ensure that all functional strategies within the supply chain support the supply chain's level of responsiveness

Answer: <https://biology-forums.com/index.php?topic=787228>

Question 587

Discuss the impact of the product life cycle on strategic fit between implied demand uncertainty and supply chain responsiveness.

Answer: <https://biology-forums.com/index.php?topic=787257>

Question 588

The objective of the third phase of network design is to

- A) maximize total profits, taking into account the expected margin and demand in each market.
- B) select a precise location and capacity allocation for each facility.
- C) select a set of desirable sites within each region where facilities are to be located.
- D) identify regions where facilities will be located, their potential roles, and their approximate capacity.

Answer: <https://biology-forums.com/index.php?topic=787471>

Question 589

If facilities have lower fixed costs

- A) a few high-capacity facilities are preferred because this helps lower transportation costs.

- B) a few local facilities are preferred because this helps lower transportation costs.
C) many high-capacity facilities are preferred because this helps lower transportation costs.
D) many local facilities are preferred because this helps lower transportation costs.

Answer: <https://biology-forums.com/index.php?topic=787452>

Question 590

As long as inbound transportation economies of scale are maintained, increasing the number of facilities decreases total transportation cost.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787335>

Question 591

Whether the optimal level of product availability is high or low depends on where a particular company believes they can

- A) minimize cost.
B) maximize revenue.
C) maximize profits.
D) maximize product availability.

Answer: <https://biology-forums.com/index.php?topic=788047>

Question 592

Economies of scale in purchasing and ordering motivate a manager to

- A) increase the lot size and cycle inventory.
B) decrease the lot size and cycle inventory.
C) eliminate inventory.
D) increase the lot size and reduce cycle inventory.

Answer: <https://biology-forums.com/index.php?topic=787894>

Question 593

The objective of the customer arrival process is to

- A) get the correct orders to customers by the promised due date at the lowest possible cost.
B) maintain a record of product receipt and complete payment.
C) maximize the conversion of customer arrivals to customer orders.
D) ensure that orders are quickly and accurately entered and communicated to other affected supply chain processes.

Answer: <https://biology-forums.com/index.php?topic=787152>

Question 594

The goal of trade promotions is to

- A) influence retailers to act in a way that helps the retailer achieve its objectives.
B) influence retailers to act in a way that helps the manufacturer achieve its objectives.
C) influence retailers to act in a way that will maximize supply chain profit.
D) influence retailers to act in a way minimize supply chain cost.

Answer: <https://biology-forums.com/index.php?topic=787928>

Question 595

Explain the impact of aggregation on safety inventory.

Answer: <https://biology-forums.com/index.php?topic=788018>

Question 596

Inventory and facility costs increase as the number of facilities in a supply chain increase.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787423>

Question 597

The sustainability damage from landfill additives comes in which form?

- A) Potential energy lost
B) Materials lost
C) Terrible smell
D) Both A and B

Answer: <https://biology-forums.com/index.php?topic=788415>

Question 598

The basic trade-off to consider during overbooking is between

- A) having wasted capacity (or inventory) or a shortage of capacity (or inventory).
- B) having lost sales or a shortage of capacity (or inventory).
- C) having wasted capacity (or inventory) or excess capacity (or inventory).
- D) having high sales or a shortage of capacity (or inventory).

Answer: <https://biology-forums.com/index.php?topic=788332>

Question 599

The strategy where workforce (capacity) is kept stable but the number of hours worked is varied over time in an effort to synchronize production with demand is the

- A) flexibility strategy.
- B) chase strategy.
- C) level strategy.
- D) mixed strategy.

Answer: <https://biology-forums.com/index.php?topic=787672>

Question 600

The main advantage of in-transit merge over drop-shipping is

- A) the ability to reduce cost of inventory by centralizing inventories at the manufacturer.
- B) supply chains save on the fixed cost of facilities, because the need for other warehousing space in the supply chain has been eliminated.
- C) somewhat lower transportation cost and improved customer experience.
- D) order tracking is easy to implement because of the complete integration of information systems at both the retailer and the manufacturer.

Answer: <https://biology-forums.com/index.php?topic=787374>

Question 601

The warehousing methodology in which all the different types of products needed to perform a particular job or satisfy a particular type of customer are stored together is

- A) warehouse unit storage.
- B) stock keeping unit (SKU) storage.
- C) job lot storage.
- D) cross-docking.

Answer: <https://biology-forums.com/index.php?topic=787291>

Question 602

Suppose Mr. Barksdale sets his reorder point at 1100 phones. What is his average cell phone inventory?

- A) 87.5 phones
- B) 105 phones
- C) 162.5 phones
- D) 257.5 phones

Answer: <https://biology-forums.com/index.php?topic=787982>

Question 603

A manufacturer of cat towers wishes to locate a super assembly facility to meet their cat tower assembly needs for the next millennium. Currently, carpet, cylinders, yarn and fasteners are purchased in bulk from suppliers in North Haverbrook, Ogden, and Springfield in the quantities shown in the table. The super assembly facility would ship to distribution centers located in Seattle, Lubbock, Nashville, and Philadelphia. The locations of all of these cities on an x-y grid, outbound transportation costs on a ton per mile basis, and total tonnage are all contained in the table.

Sources/Markets Transportation Cost \$/ton mile (F_n) Quantity in Tons (D_n) X_n Y_n

Supply

North Haverbrook 1.1 650 700 1200

Ogden 1.2 450 250 600

Springfield 1.4 400 225 825

Market

Seattle 2.25 300 50 1200

Lubbock 2.25 200 450 300

Nashville 2.25 500 800 250

Philadelphia 2.25 500 950 1100

What is the cost to transport 500 tons of material between the Springfield and Seattle locations?

- A) \$325,000
- B) \$192,500
- C) \$682,500
- D) \$437,500

Answer: <https://biology-forums.com/index.php?topic=787474>

Question 604

Which of the following are key components of transportation decisions when designing and operating a supply chain?

- A) Software selection
- B) Mode of transportation
- C) Source selection
- D) Warehouse selection

Answer: <https://biology-forums.com/index.php?topic=787299>

Question 605

Serving a high density of customers at a short distance is best done using

- A) an LTL carrier.
- B) a cross dock distribution center with milk runs.
- C) a package carrier.
- D) a private fleet with milk runs.

Answer: <https://biology-forums.com/index.php?topic=788157>

Question 606

The coefficient of variation measures

- A) the accuracy of the demand forecast.
- B) the size of the uncertainty relative to demand.
- C) the relevance of cycle inventory to demand.
- D) the relative certainty of the forecast.

Answer: <https://biology-forums.com/index.php?topic=787980>

Question 607

Supply chain network design decisions classified as facility role are concerned with

- A) what processes are performed at each facility.
- B) where facilities should be located.
- C) how much capacity should be allocated to each facility.
- D) what markets each facility should serve and which supply sources should feed each facility.

Answer: <https://biology-forums.com/index.php?topic=787429>

Question 608

Personnel can utilize forecasts to make decisions concerning

- A) scheduling.
- B) promotions.
- C) plant/equipment investment.
- D) purchasing.

Answer: <https://biology-forums.com/index.php?topic=787585>

Question 609

The cycle view of the supply chain is useful when considering operational decisions, because it specifies the roles and responsibilities of each member of the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787121>

Question 610

The interoperation scope has each stage of the supply chain devising its strategy independently.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787195>

Question 611

In product-based tailored sourcing, low-volume products with uncertain demand are obtained from a flexible source, while high-volume products with less demand uncertainty are obtained from an efficient source.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788039>

Question 612

As the replenishment lot size grows, the cycle inventory at the firm grows, thus increasing the cost of holding inventory.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788183>

Question 613

Revenue management adjusts the pricing and available supply of assets to maximize profits.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788256>

Question 614

The two major types of facilities are

- A) distribution sites and storage sites.
- B) production sites and distribution sites.
- C) production sites and storage sites.
- D) retail sites and distribution sites.

Answer: <https://biology-forums.com/index.php?topic=787285>

Question 615

Revenue management is the use of marketing to increase the profit generated from a limited supply of supply chain assets.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788253>

Question 616

The goal of any forecasting method is to predict the systematic component of demand and estimate the random component.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787573>

Question 617

The cost of a capacity shortage is the increase in productivity that results from having to go to a backup source.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788269>

Question 618

Which approach to capacity management makes use of overtime, which is varied to match the variation in demand?

- A) Time flexibility from workforce
- B) Use of seasonal workforce
- C) Use of subcontracting
- D) Use of dual facilities—dedicated and flexible

Answer: <https://biology-forums.com/index.php?topic=787757>

Question 619

The quality of life at selected facility locations has a significant impact on performance because

- A) network designers can use this fact to influence the role of the new facility and the focus of people working there.
- B) facilities last a long time and have an enduring impact on a firm's performance.
- C) the location of a facility has a significant impact on the extent and form of communication that develops in the supply chain network.
- D) it influences the work force available and their morale.

Answer: <https://biology-forums.com/index.php?topic=787478>

Question 620

Companies in the same industry often select very different distribution networks because

- A) some companies are poorly run.
- B) different companies try to avoid using the same approach.
- C) different companies have different objectives for their supply chain.
- D) all of the above

Answer: <https://biology-forums.com/index.php?topic=787356>

Question 621

If facilities have lower fixed costs, many local facilities are preferred because this helps lower transportation costs.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787419>

Question 622

Calculate the MSE for this scenario if the forecasts for periods 1-10 are in order, 176.6, 174.2, 176.1, 178.7, 160.4, 165.4, 177.7, 191.1, 191.0, and 175.2.

- A) 216.60
- B) 219.80
- C) 210.40
- D) 221.20

Answer: <https://biology-forums.com/index.php?topic=787626>

Question 623

In almost all countries, roads, seaports, airports, rail and canals have this in common.

- A) They were built and/or managed by the government.
- B) They are located near the water.
- C) They are the source of most of the tax revenue for municipalities.
- D) They are staffed by foreign nationals.

Answer: <https://biology-forums.com/index.php?topic=788136>

Question 624

Each stage in a supply chain is connected through the flow of products, information, and funds. These flows often occur in both directions and are usually managed by

- A) pricing department.
- B) one of the stages.
- C) upper management.
- D) engineering department.

Answer: <https://biology-forums.com/index.php?topic=787126>

Question 625

Customers always want the highest level of performance along all the dimensions response time, product variety and returnability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787336>

Question 626

Design collaboration ensures that any design changes are communicated effectively to all parties involved with designing and manufacturing the product.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788178>

Question 627

Customer value is

- A) the sum of the supply chain surplus and supply chain cost.
- B) the remainder after supply chain cost is subtracted from supply chain surplus.
- C) the remainder after supply chain surplus is subtracted from supply chain cost.
- D) supply chain profitability minus the supply chain cost.

Answer: <https://biology-forums.com/index.php?topic=787133>

Question 628

Which approach to aggregation would stock the fast-moving items at decentralized locations close to the customer and slow-moving items at a centralized location?

- A) Information centralization
- B) Specialization
- C) Product substitution
- D) Component commonality

Answer: <https://biology-forums.com/index.php?topic=788000>

Question 629

Supply chain coordination improves if all stages of the chain take actions that are aligned and together increase total supply chain surplus.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787792>

Question 630

The length of the planning horizon is usually between

- A) one and three months.
- B) three and eighteen months.
- C) one and three years.
- D) three and five years.

Answer: <https://biology-forums.com/index.php?topic=787665>

Question 631

The objective of customer order entry is to

- A) get the correct orders to customers by the promised due date at the lowest possible cost.
- B) maintain a record of product receipt and complete payment.
- C) maximize the conversion of customer arrivals to customer orders.
- D) ensure that orders are quickly and accurately entered and communicated to other affected supply chain processes.

Answer: <https://biology-forums.com/index.php?topic=787154>

Question 632

The major drivers of supply chain performance are customers, facilities, inventory, transportation, and information.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787259>

Question 633

When planning, the goal of all firms in the supply chain should be to maximize supply chain profits because

- A) this leaves them less profit to divide among themselves.
- B) this leaves them more profit to divide among themselves.
- C) this outcome leaves them more profit to pay tax on.
- D) this outcome will increase their charitable giving.

Answer: <https://biology-forums.com/index.php?topic=787770>

Question 634

Forward buying results in

- A) a stabilized buying pattern.
- B) small orders during the promotion period followed by very small orders after that.
- C) small orders during the promotion period followed by large orders after that.
- D) large orders during the promotion period followed by very small orders after that.

Answer: <https://biology-forums.com/index.php?topic=787832>

Question 635

The final step in achieving strategic fit between competitive and supply chain strategies is to

- A) understand the supply chain and map it on the responsiveness spectrum.
- B) understand customers and supply chain uncertainty.

C) match supply chain responsiveness with the implied uncertainty of demand.
D) combine customer and supply chain uncertainty and map it on the implied uncertainty spectrum.
Answer: <https://biology-forums.com/index.php?topic=787225>

Question 636

An increase in consumption of the product either from new or existing customers is
A) market growth.
B) stealing share.
C) forward selling.
D) forward buying.
Answer: <https://biology-forums.com/index.php?topic=787772>

Question 637

Firms focusing on cost leadership tend to find the lowest cost location for their manufacturing facilities, but only if that means locating very far from the markets they serve.
Is this T/F?
Answer: <https://biology-forums.com/index.php?topic=787417>

Question 638

Unused capacity from the past is extremely valuable.
Is this T/F?
Answer: <https://biology-forums.com/index.php?topic=788292>

Question 639

The rate of return k is also referred to as the present value of capital.
Is this T/F?
Answer: <https://biology-forums.com/index.php?topic=787492>

Question 640

The degree of demand and price uncertainty has a significant influence on the appropriate portfolio of long- and short-term warehousing space that a firm should carry.
Is this T/F?
Answer: <https://biology-forums.com/index.php?topic=787486>

Question 641

A managerial lever to increase profitability is to decrease the salvage value of each unit.
Is this T/F?
Answer: <https://biology-forums.com/index.php?topic=788041>

Question 642

The allocation of supply sources and markets to facilities has a significant impact on performance because
A) it cannot affect total production, inventory, and transportation costs incurred by the supply chain to satisfy customer demand.
B) it cannot affect customer demand.
C) it affects total production, inventory, and transportation costs incurred by the supply chain to satisfy customer demand.
D) it cannot satisfy customer demand.
Answer: <https://biology-forums.com/index.php?topic=787438>

Question 643

When faced with seasonal demand, a firm should use a combination of pricing (to manage demand) and production and inventory (to manage supply) to improve profitability.
Is this T/F?
Answer: <https://biology-forums.com/index.php?topic=787730>

Question 644

The tactic of overbooking or overselling the available asset is suitable in any situation where customers are able to cancel orders and the value of the asset drops significantly after a deadline.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788295>

Question 645

Suppose the taco stand manager could wake up a little earlier and borrow his buddy's full size pickup to transport tacos to campus. If time and capacity were not an issue, how many total tacos should he bring to campus each day?

- A) 2500
- B) 3000
- C) 5041
- D) 5500

Answer: <https://biology-forums.com/index.php?topic=788085>

Question 646

_____ has worked hard to reuse heat energy from boilers in its production process and reduce its total water footprint.

- A) Walmart
- B) Coca-Cola
- C) IBM
- D) Starbucks

Answer: <https://biology-forums.com/index.php?topic=788412>

Question 647

The time horizon of the operation phase is typically

- A) quarterly or yearly.
- B) weekly or daily.
- C) monthly or quarterly.
- D) over the next several years.

Answer: <https://biology-forums.com/index.php?topic=787145>

Question 648

Which cost takes into account the return demanded on the firm's equity and the amount the firm must pay on its debt?

- A) Cost of capital
- B) Obsolescence (spoilage) cost
- C) Handling cost
- D) Occupancy cost

Answer: <https://biology-forums.com/index.php?topic=787933>

Question 649

On a recent road trip to the Big Easy, the absentee landlord recorded his gasoline purchases in a logbook that he intended to support his rental expenses for the year. The entries are in the table below:

Gallons Total Cost

- 15 \$44.40
- 16 \$36.32
- 13.5 \$34.70
- 18 \$45.90
- 8 \$23.36
- 12 \$30.72

What is the range of sale price of the gasoline?

- A) 7.51
- B) 10
- C) 0.69
- D) 22.54

Answer: <https://biology-forums.com/index.php?topic=787323>

Question 650

Improperly structured sales force incentives are a significant obstacle to coordination in the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787797>

Question 651

Predictable variability is change in demand that cannot be forecasted.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787711>

Question 652

Describe the basic characteristics of forecasts that managers should be aware.

Answer: <https://biology-forums.com/index.php?topic=787630>

Question 653

In the textbook, it mentions that Walmart has mandated the use of a specific technology by its top 100 suppliers at the level of product cases. What is the technology?

- A) RFID
- B) ERP
- C) SCM
- D) EDI

Answer: <https://biology-forums.com/index.php?topic=787311>

Question 654

Transportation plays a key role in every supply chain because products are usually produced and consumed in the same location.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788101>

Question 655

Safety inventory is carried because

- A) demand forecasts are accurate.
- B) demand forecasts are uncertain.
- C) adequate supplies are available.
- D) excess product was manufactured.

Answer: <https://biology-forums.com/index.php?topic=787962>

Question 656

Tailored sourcing may be volume-based or product-based depending on the source of uncertainty.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788037>

Question 657

A fundamental aspect of successful collaboration is

- A) sharing product designs.
- B) identification and resolution of exceptions.
- C) no stock outs.
- D) complete information sharing.

Answer: <https://biology-forums.com/index.php?topic=787849>

Question 658

The competent supply chain manager decided to aggregate all inventories and as required, use fast mode of transportation for filling customer orders of his

- A) high-value and high-demand product.
- B) high-value and low-demand product.
- C) low-value and high-demand product.
- D) low-value and low-demand product.

Answer: <https://biology-forums.com/index.php?topic=788163>

Question 659

The costs of overstocking and understocking have a direct impact on both the optimal cycle service level and profitability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788029>

Question 660

The major deterrent to remanufacturing is

- A) the comparatively low margin of remanufactured to newly-produced products.
- B) the comparatively high cost of remanufacturing to newly-produced products.
- C) the fear that remanufactured products will be purchased instead of newly-produced products.
- D) the loss of recycling volume from remanufactured products that do not enter the recycling stream.

Answer: <https://biology-forums.com/index.php?topic=788428>

Question 661

The main advantage of in-transit merge over drop-shipping is the somewhat lower transportation cost and improved customer experience.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787338>

Question 662

Why should design collaboration capability be considered in supplier selection decisions?

Answer: <https://biology-forums.com/index.php?topic=788252>

Question 663

Long-term contracts for both warehousing and transportation requirements will be more effective if the demand and price of warehousing do not change in the future or if the price of warehousing goes up.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787498>

Question 664

The margin lost by a firm for each lost sale because there is no inventory on hand is

- A) the cost of overstocking the product.
- B) the cost of stocking the product.
- C) the cost of understocking the product.
- D) the cost of overselling the product.

Answer: <https://biology-forums.com/index.php?topic=788051>

Question 665

The simple exponential smoothing forecast method is appropriate when

- A) demand has observable trend or seasonality.
- B) demand has no observable trend or seasonality.
- C) demand has observable trend and seasonality.
- D) demand has no observable level or seasonality.

Answer: <https://biology-forums.com/index.php?topic=787611>

Question 666

The supply chain network is designed to maximize total profits, taking into account the expected margin and demand in each market, various logistics and facility costs, and the taxes and tariffs at each location.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787427>

Question 667

Which approach to aggregation requires an information system that allows access to current inventory records from each location?

- A) Information centralization
- B) Specialization
- C) Product substitution
- D) Component commonality

Answer: <https://biology-forums.com/index.php?topic=787999>

Question 668

Aggregate planning is concerned with determining

- A) the production level, sales level, and capacity for each period.
- B) the demand level, inventory level, and capacity for each period.
- C) the production level, inventory level, and capacity for each period.
- D) the production level, staffing level, and capacity for each period.

Answer: <https://biology-forums.com/index.php?topic=787663>

Question 669

Available infrastructure, skill needs and response time mostly affect which of the four Global Network Design Decisions?

- A) Phase I - Supply Chain Strategy
- B) Phase II - Regional Facility Configuration
- C) Phase III - Desirable Sites
- D) Phase IV - Location Choices

Answer: <https://biology-forums.com/index.php?topic=787466>

Question 670

The first step in achieving strategic fit between competitive and supply chain strategies is to

- A) understand the supply chain and map it on the responsiveness spectrum.
- B) understand customers and supply chain uncertainty.
- C) match supply chain responsiveness with the implied uncertainty of demand.
- D) ensure that all functional strategies within the supply chain support the supply chain's level of responsiveness.

Answer: <https://biology-forums.com/index.php?topic=787223>

Question 671

A third party increases the supply chain surplus if it aggregates the sourcing for many small players and facilitates economies of scale in ordering, inbound transportation and production. This is called

- A) capacity aggregation.
- B) procurement aggregation.
- C) information aggregation.
- D) relationship aggregation.

Answer: <https://biology-forums.com/index.php?topic=788211>

Question 672

Forecasts are always wrong and therefore

- A) should include both the expected value of the forecast and a measure of forecast error.
- B) should not include both the expected value of the forecast and a measure of forecast error.
- C) should only be used when there are no accurate estimates.
- D) should be missing the expected value of the forecast and a measure of forecast error.

Answer: <https://biology-forums.com/index.php?topic=787590>

Question 673

Which of the following would not be the result of a poor/inappropriate distribution network?

- A) High profitability
- B) Low level of customer service
- C) High cost
- D) Poor profitability

Answer: <https://biology-forums.com/index.php?topic=787357>

Question 674

Flexibility should be valued by taking into account uncertainty in demand and economic factors. In general, flexibility will tend to

- A) decrease in value with a decrease in certainty.
- B) increase in value with an increase in uncertainty.
- C) decrease in value with an increase in uncertainty.
- D) increase in value with an increase in certainty.

Answer: <https://biology-forums.com/index.php?topic=787536>

Question 675

W.W. Grainger and McMaster Carr stock products from more than a thousand manufacturers each to sell to hundreds of thousands of customers and are sterling examples of

- A) transportation aggregation by transportation intermediaries.
- B) inventory aggregation.
- C) warehouse aggregation.
- D) transportation aggregation by storage intermediaries.

Answer: <https://biology-forums.com/index.php?topic=788213>

Question 676

A supply chain features a constant flow of

- A) information, product and funds.
- B) personnel, information, and policies.
- C) processes, funds, and product.
- D) product, processes, and support.

Answer: <https://biology-forums.com/index.php?topic=787127>

Question 677

Formulate the aggregate plan using linear programming and solve it using Solver.

Answer: <https://biology-forums.com/index.php?topic=787709>

Question 678

A supply chain could be more accurately described as a supply network or supply web.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787106>

Question 679

As the uncertainty of supply or demand _____, the required level of safety inventories _____.

- A) grows, increases
- B) increases, decreases
- C) decreases, grows
- D) decreases, increases

Answer: <https://biology-forums.com/index.php?topic=787976>

Question 680

Forecasting and the accompanying managerial decisions are extremely difficult when either the supply of raw materials or the demand for the finished product is highly variable.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787565>

Question 681

Moving inventory from point to point in the supply is known as

- A) facilities.
- B) inventory.
- C) transportation.
- D) information.

Answer: <https://biology-forums.com/index.php?topic=787283>

Question 682

Salespeople must understand the revenue management tactic in place so they can align their sales pitch accordingly.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788281>

Question 683

The most important operational decision related to transportation in a supply chain is

- A) minimizing cost of transportation.
- B) maximizing profitability of the supply chain.
- C) reducing the level of cycle inventory.
- D) the routing and scheduling of deliveries.

Answer: <https://biology-forums.com/index.php?topic=788147>

Question 684

- For the same safety inventory, an increase in lot size
- A) decreases the fill rate but not the cycle service level.
 - B) increases the fill rate but not the cycle service level.
 - C) decreases both the fill rate and the cycle service level.
 - D) increases both the fill rate and the cycle service level.

Answer: <https://biology-forums.com/index.php?topic=787972>

Question 685

_____ continues to be one of the biggest challenges to improved supply chain sustainability.

- A) Good information
- B) Waste generation
- C) Water consumption
- D) Reducing packaging

Answer: <https://biology-forums.com/index.php?topic=788421>

Question 686

Given the product variety and high demand uncertainty in most high-tech supply chains, a significant fraction of the inventory carried is safety inventory.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787960>

Question 687

Customers will have a negative perception of revenue management tactics if they are simply presented as a mechanism for extracting maximum revenue.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788311>

Question 688

Forecasting and the accompanying managerial decisions are extremely difficult when either the supply of raw materials or the demand for the finished product is highly unpredictable.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787576>

Question 689

For products where the firm has market power, two-part tariffs can be used to achieve coordination in the supply chain and maximize supply chain profits.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787883>

Question 690

The basic trade-off to be considered by the supplier with production capacity is between

- A) committing to an order from a high-price buyer or waiting for a lower price buyer to arrive later on.
- B) committing to an order from a lower price buyer or waiting for a high-price buyer to arrive later on.
- C) allowing the market to be controlled by price or capacity.
- D) having marketing or operations establish the constraints within which orders are accepted.

Answer: <https://biology-forums.com/index.php?topic=788319>

Question 691

Where does distribution occur in the supply chain?

- A) Between every pair of stages

- B) Everywhere downstream from production
- C) Between production and the retailer
- D) Between suppliers and retailers

Answer: <https://biology-forums.com/index.php?topic=787354>

Question 692

The cost of holding inventory incurred by the shipper's supply chain network is

- A) transportation cost.
- B) inventory cost.
- C) facility cost.
- D) processing cost.

Answer: <https://biology-forums.com/index.php?topic=788151>

Question 693

Explain how tailored sourcing can be used to improve profitability.

Answer: <https://biology-forums.com/index.php?topic=788100>

Question 694

A firm can handle predictable variability by managing

- A) supply using capacity, inventory, trade promotions, and backlogs.
- B) supply using capacity, inventory, subcontracting, and backlogs.
- C) demand using short-term price discounts and trade promotions.
- D) B and C only

Answer: <https://biology-forums.com/index.php?topic=787732>

Question 695

Transportation plays a key role in every supply chain because

- A) products are normally produced and consumed in the same location.
- B) products are rarely produced and consumed in the same location.
- C) the cost of transportation is inconsequential.
- D) transportation is not a factor in determining profitability.

Answer: <https://biology-forums.com/index.php?topic=788122>

Question 696

When infrastructure is publicly owned, it is important to price usage to reflect

- A) the cost of rebuild the infrastructure once it is fully depreciated.
- B) the incremental profit from the use of the infrastructure.
- C) the marginal impact on the cost to society.
- D) the market clearing price.

Answer: <https://biology-forums.com/index.php?topic=788142>

Question 697

In reality, demand and prices are

- A) highly certain and not likely to fluctuate during the life of any supply chain decision.
- B) highly certain and likely to fluctuate during the life of any supply chain decision.
- C) highly uncertain and not likely to fluctuate during the life of any supply chain decision.
- D) highly uncertain and likely to fluctuate during the life of any supply chain decision.

Answer: <https://biology-forums.com/index.php?topic=787531>

Question 698

One appropriate measure to reduce replenishment lead times is to

- A) reduce flexibility.
- B) increase the planning horizon.
- C) order electronically.
- D) average the aggregate plans from each supply chain member.

Answer: <https://biology-forums.com/index.php?topic=787840>

Question 699

The steps taken to move and store a product from the supplier stage to a customer stage in the supply chain are referred to as

- A) transportation.
- B) retailing.
- C) wholesaling.
- D) distribution.

Answer: <https://biology-forums.com/index.php?topic=787353>

Question 700

Use the information from Scenario 6.1 to determine the expected cost of operating a small facility for a period of two years.

- A) \$1,102,500
- B) \$1,005,500
- C) \$502,500
- D) \$2,205,000

Answer: <https://biology-forums.com/index.php?topic=787544>

Question 701

The primary reason for the general lack of design for remanufacturing is that remanufacturing is more expensive for a manufacturer.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788384>

Question 702

Total logistics costs are the sum of inventory, transportation, and facility costs for a supply chain network. What occurs as the number of facilities increases?

Answer: <https://biology-forums.com/index.php?topic=787407>

Question 703

What is the optimal total cost of the aggregate plan developed to address Scenario 8.2?

- A) \$27,200
- B) \$20,960
- C) \$31,400
- D) \$26,600

Answer: <https://biology-forums.com/index.php?topic=787684>

Question 704

Shifting demand from peak to off-peak periods is beneficial if the discount given during the off-peak period is more than offset by the decrease in cost because of a smaller peak and the increase in revenue during the off-peak period.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788302>

Question 705

Pricing schedules with all unit quantity discounts encourage retailers to increase the size of their lots, which reduces the average inventory and flow time in a supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787879>

Question 706

The ability of a supply chain to delay product differentiation or customization until closer to the time the product is sold is

- A) information centralization.
- B) specialization.
- C) product substitution.
- D) postponement.

Answer: <https://biology-forums.com/index.php?topic=788003>

Question 707

The art and science of making projections about what future demand and conditions will be is

- A) supply chain coordination.
- B) forecasting.
- C) aggregate planning.
- D) revenue management.

Answer: <https://biology-forums.com/index.php?topic=787305>

Question 708

The required safety inventory

- A) grows rapidly with a decrease in the desired product availability.
- B) grows rapidly with an increase in the desired product availability.
- C) decreases with an increase in the desired product availability.
- D) remains stable with an increase in the desired product availability.

Answer: <https://biology-forums.com/index.php?topic=787973>

Question 709

What is the cost to run Sammy's at the economic production lot size?

- A) \$5.46
- B) \$2.73
- C) \$1.36
- D) \$0.68

Answer: <https://biology-forums.com/index.php?topic=787913>

Question 710

Any asset that loses value over time is perishable.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788306>

Question 711

The value chain consists of direct and indirect activities. Which of the following is an indirect activity for an enterprise?

- A) Marketing
- B) Distribution
- C) Human Resources
- D) Service

Answer: <https://biology-forums.com/index.php?topic=787213>

Question 712

Increased product variety and shrinking product life cycles usually result in

- A) the deliberate phase-out of older products.
- B) a decrease in overall uncertainty for the supply chain.
- C) an increase in the time allowed for a supply chain to develop specific competencies.
- D) a deliberate proliferation in the variety of components used for all products produced.

Answer: <https://biology-forums.com/index.php?topic=787248>

Question 713

The push/pull view of a supply chain holds that the processes in a supply chain are divided into 2 categories depending on whether they are initiated in response to or in anticipation of customer orders.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787117>

Question 714

The goal of aggregate planning is to build a plan that satisfies demand while minimizing downtime.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787653>

Question 715

The process by which a firm decides how much to charge customers for its goods and services is

- A) supply chain coordination.
- B) forecasting.
- C) aggregate planning.
- D) pricing.

Answer: <https://biology-forums.com/index.php?topic=787307>

Question 716

The major disadvantage of a distribution network with local storage is the increased inventory and facility costs.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787340>

Question 717

Which element in the value chain is responsible for transforming inputs into outputs?

- A) Operations
- B) Marketing
- C) Distribution
- D) All elements of the value chain do this.

Answer: <https://biology-forums.com/index.php?topic=787208>

Question 718

Most strategies that an aggregate planner actually uses are in combination and are referred to as the

- A) adjustable strategy.
- B) chase strategy.
- C) level strategy.
- D) mixed strategy.

Answer: <https://biology-forums.com/index.php?topic=787676>

Question 719

The operational parameter concerned with the planned inventory carried over the various periods in the planning horizon is

- A) production rate.
- B) overtime.
- C) backlog.
- D) inventory on hand.

Answer: <https://biology-forums.com/index.php?topic=787662>

Question 720

Companies using seasonal inventory will maintain a level inventory increase rate of production for periods of high demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787271>

Question 721

The drive for strategic fit should come from

- A) the supply chain manager.
- B) the strategic planning department.
- C) the highest levels of the organization, such as the CEO.
- D) middle management.

Answer: <https://biology-forums.com/index.php?topic=787234>

Question 722

What is the average flow time of a half cup of peas if the diner orders at the economic order quantity?

- A) 8.76 weeks
- B) 5.84 weeks
- C) 2.92 weeks
- D) 11.68 weeks

Answer: <https://biology-forums.com/index.php?topic=787905>

Question 723

Collaborative forecasting based on sales to the end customer can help enterprises further up the supply chain reduce forecast error.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787568>

Question 724

A firm may choose to build a flexible global supply chain even in the presence of little demand or supply uncertainty if

- A) certainty exists in both exchange rates and prices.
- B) certainty exists in exchange rates or prices.
- C) uncertainty exists in both exchange rates and prices.
- D) uncertainty exists in exchange rates or prices.

Answer: <https://biology-forums.com/index.php?topic=787549>

Question 725

Which method would serve to reduce the information distortion in a supply chain consisting of a fabricator, manufacturer, supplier, and a retailer?

- A) Make both the fabricator and retailer responsible for all decisions regarding product inventories at the retailer.
- B) Make the manufacturer responsible for all decisions regarding product inventories at the retailer.
- C) Make the supplier responsible for all decisions regarding product inventories at the retailer.
- D) Make the customer responsible for all decisions regarding product inventories at the retailer.

Answer: <https://biology-forums.com/index.php?topic=787841>

Question 726

The goal of optimization is to use forecasts of customer behavior to identify a revenue management tactic that will be most effective.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788279>

Question 727

The present value of a stream of cash flows is what that stream is worth in today's dollars.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787491>

Question 728

The set of business processes required to purchase goods and services is known as

- A) cycle inventory.
- B) safety inventory.
- C) seasonal inventory.
- D) sourcing.

Answer: <https://biology-forums.com/index.php?topic=787296>

Question 729

Although a forward buy is often the retailer's appropriate response and increases their own profits, it usually increases demand variability with a resulting increase in inventory and flow times within the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787885>

Question 730

Use the information from Scenario 6.1 to determine the expected cost of operating a large facility for two years.

- A) \$810,000
- B) \$450,000
- C) \$405,000
- D) \$2,810,000

Answer: <https://biology-forums.com/index.php?topic=787543>

Question 731

It is much easier to return a product to an online retailer than to a traditional bricks and mortar seller.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787345>

Question 732

The value chain emphasizes the close relationship between all the functional strategies within a company.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787185>

Question 733

Facility location decisions have a long-term impact on a supply chain's performance because

- A) it is very expensive to shut down a facility or move it to a different location.
- B) it is not expensive to shut down a facility or move it to a different location.
- C) it is advisable to shut down a facility or move it to a different location.
- D) it is cost effective to shut down a facility or move it to a different location.

Answer: <https://biology-forums.com/index.php?topic=787434>

Question 734

Discuss the role of safety inventory in the supply chain and the trade-offs involved.

Answer: <https://biology-forums.com/index.php?topic=788013>

Question 735

Which approach to aggregation has the goal of moving product differentiation as close to the pull phase of the supply chain as possible?

- A) Information centralization
- B) Specialization
- C) Product substitution
- D) Postponement

Answer: <https://biology-forums.com/index.php?topic=788004>

Question 736

_____ forecasting methods are primarily subjective and rely on human judgment.

- A) Qualitative
- B) Time-series
- C) Causal
- D) Simulation

Answer: <https://biology-forums.com/index.php?topic=787603>

Question 737

A high fashion retailer should rely on

- A) historical data to forecast next season's demand.
- B) interpretation of industry trends and customer tastes to forecast next season's demand.
- C) store-level POS data to forecast next season's demand.
- D) distribution center withdrawals to forecast next season's demand.

Answer: <https://biology-forums.com/index.php?topic=787853>

Question 738

What are some metrics that can be used to measure sustainability for a supply chain?

Answer: <https://biology-forums.com/index.php?topic=788445>

Question 739

The average amount of inventory used to satisfy demand between receipt of supplier shipments is referred to as

- A) cycle inventory.
- B) safety inventory.
- C) seasonal inventory.
- D) sourcing.

Answer: <https://biology-forums.com/index.php?topic=787293>

Question 740

Postponement is valuable for a firm that

- A) sells a large variety of products with demand that is dependent and comparable in size.
- B) sells a large variety of products with demand that is independent and comparable in size.
- C) sells a small variety of products with demand that is dependent and comparable in size.
- D) sells a small variety of products with demand that is independent and comparable in size.

Answer: <https://biology-forums.com/index.php?topic=788072>

Question 741

Successful collaborative planning, forecasting and replenishment must be built on a foundation of

- A) a common logistics carrier and data synchronization.
- B) a single forecasting approach and a common logistics carrier.
- C) data synchronization and established standards for exchanging information.
- D) established standards for exchanging information and a single forecasting approach.

Answer: <https://biology-forums.com/index.php?topic=787850>

Question 742

The measure of forecast error where the amount of error of each forecast is squared and then an average is calculated is

- A) mean squared error (MSE).
- B) mean absolute deviation (MAD).
- C) mean absolute percentage error (MAPE).
- D) the tracking signal.

Answer: <https://biology-forums.com/index.php?topic=787618>

Question 743

In a supply chain where each stage of the supply chain independently makes its pricing decisions with the objective of maximizing its own profit,

- A) supply chain profit is lower than a coordinated solution.
- B) supply chain profit is higher than a coordinated solution.
- C) supply chain profit is about the same as a coordinated solution.
- D) supply chain profit will be maximized.

Answer: <https://biology-forums.com/index.php?topic=787924>

Question 744

Which of the following would be a demand and supply characteristic toward the beginning stages of a product's life cycle?

- A) Demand has become more certain and supply is predictable.
- B) Margins are lower due to an increase in competitive pressure.
- C) Product availability is crucial to capturing the market.
- D) Price becomes a significant factor in customer choice.

Answer: <https://biology-forums.com/index.php?topic=787236>

Question 745

A key supply chain difference between Gateway and Apple is that

- A) Gateway's stores currently carry a large variety of products made by other manufacturers, while Apple carries only Apple products.
- B) Apple has always carried product in their stores while at one time Gateway stores carried no inventory.
- C) Gateway has always used a push system while Apple has always used a pull system.
- D) Gateway has no suppliers, preferring to make everything in-house, while Apple buys many of their components from suppliers.

Answer: <https://biology-forums.com/index.php?topic=787175>

Question 746

Serving a medium density of customers at a medium distance is best done using

- A) an LTL carrier.
- B) a cross dock distribution center with milk runs.
- C) a package carrier.
- D) a private fleet with milk runs.

Answer: <https://biology-forums.com/index.php?topic=788158>

Question 747

Which transportation network design option has the elimination of intermediate warehouses and its simplicity of operation and coordination as its major advantage?

- A) Direct shipping network
- B) Direct shipping with milk runs
- C) All shipments via central DC
- D) Shipping via DC using milk runs

Answer: <https://biology-forums.com/index.php?topic=788143>

Question 748

Over the past several decades

- A) the life cycle of products has increased.
- B) most firms have become more vertically integrated.
- C) the number of owners per supply chain has increased.
- D) product variety has decreased.

Answer: <https://biology-forums.com/index.php?topic=787250>

Question 749

Faced with a 3000 taco capacity constraint, what is the profit resulting from an optimal mix of fish and chicken tacos?

- A) \$22,577
- B) \$25,619
- C) \$24,667
- D) \$23,580

Answer: <https://biology-forums.com/index.php?topic=788090>

Question 750

Activities involved in the Internal Supply Chain Management (ISCM) macro process include

- A) marketing.
- B) order fulfillment.
- C) sales.
- D) order management.

Answer: <https://biology-forums.com/index.php?topic=787173>

Question 751

Calculate the MAD for this scenario if the forecasts for periods 1-10 are in order, 176.6, 174.2, 176.1, 178.7, 160.4, 165.4, 177.7, 191.1, 191.0, and 175.2.

- A) 11.04
- B) 9.52
- C) 10.40
- D) 12.25

Answer: <https://biology-forums.com/index.php?topic=787625>

Question 752

Simulation methods are very good at evaluating a decision where the path itself is decision dependent.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787501>

Question 753

Over the past several decades, the supply chains of most firms have become easier to coordinate.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787203>

Question 754

What type of inventory is one of the most damaging from a sustainability perspective?

- A) Raw materials
- B) Work in process
- C) Finished goods
- D) Landfill

Answer: <https://biology-forums.com/index.php?topic=788414>

Question 755

When a firm places orders in lot sizes that are much larger than the lot sizes in which demand arises,

- A) variability of orders is minimized up the supply chain.
- B) variability of orders is magnified up the supply chain.
- C) suppliers gain better visibility of consumer demand.
- D) suppliers gain a more stable demand pattern.

Answer: <https://biology-forums.com/index.php?topic=787830>

Question 756

A supply chain strategy involves decisions regarding all of the following except

- A) inventory.
- B) transportation.
- C) new product development.
- D) operating facilities.

Answer: <https://biology-forums.com/index.php?topic=787219>

Question 757

As the safety inventory is increased,

- A) fill rate increases and cycle service level decreases.
- B) fill rate decreases and cycle service level increases.
- C) both fill rate and cycle service level increase.
- D) both fill rate and cycle service level decrease.

Answer: <https://biology-forums.com/index.php?topic=787971>

Question 758

_____ typically measures the cost of bringing product into a facility as a percentage of sales or cost of goods sold (COGS).

- A) Average outbound transportation cost
- B) Average inbound transportation cost
- C) Average incoming shipment size
- D) Average inbound transportation cost per shipment

Answer: <https://biology-forums.com/index.php?topic=787312>

Question 759

What should the price be in period 1?

- A) \$287.50
- B) \$275.00
- C) \$262.50
- D) \$250.00

Answer: <https://biology-forums.com/index.php?topic=788339>

Question 760

Which of the following would be a strategy to decrease the margin lost in a stockout?

- A) Arranging for backup sourcing
- B) Discarding the unused material
- C) Selling unsold product to an outlet store
- D) Reducing the level of cycle inventory

Answer: <https://biology-forums.com/index.php?topic=788060>

Question 761

For physical products, i.e., products that cannot be downloaded, customer requests take longer to fulfill through online sales than in a retail store setting.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787344>

Question 762

Seven-Eleven in Japan's operations and distribution strategy focuses on

- A) convenience in the form of easy access to stores.
- B) constantly adding new products and services.
- C) low cost for gasoline, which drives traffic to the store.
- D) being responsive and having an excellent information infrastructure.

Answer: <https://biology-forums.com/index.php?topic=787207>

Question 763

Which of the following is a disadvantage of manufacturer/distributor storage with customer pickup?

- A) Customer experience is lower than other options because of the lack of home delivery.
- B) Response time is similar to package carrier delivery with manufacturer or distributor storage.
- C) Returnability is somewhat easier given that pickup location can handle returns.
- D) Product availability is similar to other manufacturer or distributor storage options.

Answer: <https://biology-forums.com/index.php?topic=787384>

Question 764

A decrease in the response time customers desire increases the number of facilities required in the network.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787337>

Question 765

Explain the basic, six-step approach to help an organization perform effective forecasting.

Answer: <https://biology-forums.com/index.php?topic=787631>

Question 766

When ordering a single product, it is optimal for the buyer to order the minimum of the available capacity and the optimal order quantity. When ordering multiple products,

- A) the buyer should treat each product as a unique purchase and optimize each on an individual basis.
- B) the buyer must consider trade-offs between ordering more of one product than another.
- C) the buyer should average the cost, procurement, and holding parameters and create a basket product that consists of equal ratios of all items.
- D) the buyer should construct a weighted average based on all individual item demands and optimize this quantity.

Answer: <https://biology-forums.com/index.php?topic=788084>

Question 767

Intraoperation scope resulted in minimal supply chain surplus.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787196>

Question 768

The phenomenon where each actor is incentivized to maximize his gain from a public asset at the expense of all others is

- A) the tragedy of the commons.
- B) cap-and-trade.
- C) the closed loop.
- D) the social pillar.

Answer: <https://biology-forums.com/index.php?topic=788395>

Question 769

If demand increases by a factor of k , the optimal lot size increases by a factor of

- A) k .
- B) $k/2$.
- C) k -squared.
- D) the square root of k .

Answer: <https://biology-forums.com/index.php?topic=787907>

Question 770

A milk run is a route in which a truck either delivers product from a single supplier to multiple retailers or goes from multiple suppliers to a single retailer.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788110>

Question 771

Cycle inventory is the physical inventory in the supply chain due to either production or purchases demanded by the customer.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787867>

Question 772

When all stages of a supply chain produce a collaborative forecast, it tends to be

- A) much more detailed.
- B) much more complex.
- C) much more accurate.
- D) much more flexible.

Answer: <https://biology-forums.com/index.php?topic=787581>

Question 773

Decisions concerning the role of each facility are significant because

- A) they determine the amount of flexibility the supply chain has in demanding change.
- B) they determine the amount of flexibility the supply chain has in changing the way it meets demand.
- C) they determine the amount of capacity the supply chain has in changing the way it meets demand.
- D) they determine the amount of inventory the supply chain has in demanding change.

Answer: <https://biology-forums.com/index.php?topic=787433>

Question 774

Drought conditions spike demand during the summer to an annualized rate of 27,000 cans per year and the price rises to \$12 per can. If the ordering cost per lot is 75 cents, what is the holding cost percentage?

- A) 3.1%
- B) 1.81%
- C) 31%
- D) 18.1%

Answer: <https://biology-forums.com/index.php?topic=787910>

Question 775

When the capacity reserved for higher price buyers is wasted because demand from the higher price segment does not materialize, this is

- A) spill.
- B) spoilage.
- C) wastage.
- D) excess.

Answer: <https://biology-forums.com/index.php?topic=788320>

Question 776

A supply chain can use a high level of product availability to improve its responsiveness and attract customers, thus increasing revenue for the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788040>

Question 777

Weekly demand for corn tortillas at Big Truck Tacos is normally distributed with a mean of 1500 and a standard deviation of 300. Marco's takes one and one half weeks to supply a Big Truck order. Big Truck is targeting a CSL of 95 percent and monitors its inventory continuously. How much safety inventory of corn tortillas should Big Truck carry? What should their ROP be?

Answer: <https://biology-forums.com/index.php?topic=788019>

Question 778

Which of the following is the first phase in the design of a global supply chain network?

- A) Define a supply chain strategy
- B) Define the regional facility configuration
- C) Select desirable sites

D) Location choices

Answer: <https://biology-forums.com/index.php?topic=787468>

Question 779

Mature products with stable demand are usually the most difficult to forecast.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787564>

Question 780

Company A and Company B of the same supply chain rely on market responsiveness to attract customers. Each company has access to the other company's designs, production schedules, and goals, and if Company A needs product overnight, Company B gladly ships it, knowing that in the long run it works to the benefit of both. Such an arrangement is an example of

- A) intrafunctional scope.
- B) intraoperation scope.
- C) interfunctional scope.
- D) intercompany scope.

Answer: <https://biology-forums.com/index.php?topic=787247>

Question 781

Explain the supply chain decision-making framework and the role of the four major drivers.

Answer: <https://biology-forums.com/index.php?topic=787326>

Question 782

When setting optimal levels of product availability in practice, it is important to

- A) obtain a reasonable estimate of the cost of stocking out.
- B) obtain a very precise estimate of the cost of stocking out.
- C) focus on the most responsive production method, even if it is not low cost.
- D) develop a preset target of product availability.

Answer: <https://biology-forums.com/index.php?topic=788091>

Question 783

A company's partners in the supply chain determine

- A) the company's success.
- B) the scope of strategic fit.
- C) the relevance of sustainability initiatives.
- D) the need for customers.

Answer: <https://biology-forums.com/index.php?topic=787246>

Question 784

The ability to provide a high level of product availability to customers while carrying very low levels of safety inventory in its supply chain has been a key to success at which company?

- A) Compaq
- B) Hewlett-Packard
- C) Dell
- D) Packard-Bell

Answer: <https://biology-forums.com/index.php?topic=787965>

Question 785

_____ typically move commodities over large distances at lower costs per unit shipped.

- A) Air
- B) Truck
- C) Rail
- D) Package carriers

Answer: <https://biology-forums.com/index.php?topic=788130>

Question 786

An intermediary can increase the supply chain surplus by aggregating inventories across large numbers of customers. This is called

- A) capacity aggregation.
- B) inventory aggregation.
- C) warehouse aggregation.
- D) relationship aggregation.

Answer: <https://biology-forums.com/index.php?topic=788207>

Question 787

Decisions concerning the role of each facility are significant because they determine the amount of flexibility the supply chain has in changing the way it meets demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787414>

Question 788

The major disadvantage of in-transit merge compared to drop-shipping is

- A) transportation costs are high because the average outbound distance to the end consumer is large and package carriers are used to shipping the product.
- B) response times tend to be large because the order has to be transmitted from the retailer to the manufacturer and shipping distances are on average longer from the manufacturer's centralized site.
- C) order tracking becomes harder to implement because it requires complete integration of information systems at both the retailer and the manufacturer.
- D) the additional effort during the merge itself.

Answer: <https://biology-forums.com/index.php?topic=787375>

Question 789

Explain the six distinct distribution network designs that may be used to move products from factory to customer.

Answer: <https://biology-forums.com/index.php?topic=787405>

Question 790

Discuss the various measures of product availability.

Answer: <https://biology-forums.com/index.php?topic=788014>

Question 791

What is the difference in the number of rooms that should be held by the Stone Lion if the standard deviation of corporate demand increases by five and if it decreases by five?

- A) 1
- B) 2
- C) 3
- D) 4

Answer: <https://biology-forums.com/index.php?topic=788327>

Question 792

Appropriate flexibility is an effective approach for a global supply chain to deal with a variety of risks and uncertainties. Extra flexibility is always worth the cost.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787490>

Question 793

Suppose the café wishes to erase any hint of impropriety and wants to peg their service level at 99.5%. What is the level of safety inventory they should carry?

- A) 7500 ounces
- B) 3074 ounces
- C) 19350 ounces
- D) 7918 ounces

Answer: <https://biology-forums.com/index.php?topic=787994>

Question 794

Push processes may also be referred to as speculative processes.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787122>

Question 795

In most instances of differential pricing, demand from the segment paying the lower price

- A) arises earlier in time than demand from the segment paying the higher price.
- B) arises later in time than demand from the segment paying the higher price.
- C) arises about the same time as demand from the segment paying the higher price.
- D) arises both earlier and later in time than demand from the segment paying the higher price.

Answer: <https://biology-forums.com/index.php?topic=788318>

Question 796

If the technology is flexible

- A) it becomes more difficult to consolidate manufacturing in a few large facilities.
- B) it becomes more difficult to distribute manufacturing in many local facilities.
- C) it becomes easier to consolidate manufacturing in a few large facilities.
- D) it becomes easier to consolidate manufacturing in many local facilities.

Answer: <https://biology-forums.com/index.php?topic=787454>

Question 797

Sourcing a product overseas may have

- A) higher product cost and will generally incur a higher inbound transportation cost.
- B) higher product cost but will generally incur a lower inbound transportation cost.
- C) lower product cost and will generally incur a lower inbound transportation cost.
- D) lower product cost but will generally incur a higher inbound transportation cost.

Answer: <https://biology-forums.com/index.php?topic=788221>

Question 798

Which of the following is an advantage of distributor storage with carrier delivery?

- A) Inventory cost is higher than with manufacturer storage.
- B) Product variety is lower than with manufacturer storage.
- C) Order visibility for the customer is easier than with manufacturer storage.
- D) Higher cost to provide the same level of product availability as manufacturer storage.

Answer: <https://biology-forums.com/index.php?topic=787377>

Question 799

Which distribution network design is being used when the distributor/retailer delivers the product to the customer's home instead of using a package carrier?

- A) Manufacturer storage with direct shipping
- B) Manufacturer/distributor storage with customer pickup
- C) Distributor storage with package carrier delivery
- D) Distributor storage with last mile delivery

Answer: <https://biology-forums.com/index.php?topic=787379>

Question 800

Which approach to capacity management would schedule the workforce so that the available capacity better matches demand?

- A) Time flexibility from workforce
- B) Use of seasonal workforce
- C) Use of subcontracting
- D) Use of dual facilities—dedicated and flexible

Answer: <https://biology-forums.com/index.php?topic=787758>

Question 801

Information distortion is exaggerated by the fact that

- A) supply chains today produce a large amount of product variety.
- B) supply chains today produce a small amount of product variety.
- C) the telephone effect is extreme in situations where technology is in use.

D) different stages of supply chains send excessive data.

Answer: <https://biology-forums.com/index.php?topic=787809>

Question 802

The price paid per unit is referred to as

- A) the material cost and is denoted by C.
- B) the fixed ordering cost and is denoted by S.
- C) the holding cost and is denoted by H.
- D) the purchase price and is denoted by P.

Answer: <https://biology-forums.com/index.php?topic=787895>

Question 803

The aggregate plan should be communicated to

- A) only the local firm.
- B) only downstream partners.
- C) only upstream partners.
- D) all supply chain partners who will be affected by it.

Answer: <https://biology-forums.com/index.php?topic=787701>

Question 804

Which forecasting methods are the simplest to implement and can serve as a good starting point for a demand forecast?

- A) Qualitative forecasting methods
- B) Time series forecasting methods
- C) Causal forecasting methods
- D) Simulation forecasting methods

Answer: <https://biology-forums.com/index.php?topic=787598>

Question 805

The use of a part-time workforce to increase the capacity flexibility by enabling the firm to have more people at work during peak periods is designing product flexibility into the production processes.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787718>

Question 806

Which distribution network design is being used when inventory is stored at the manufacturer or distributor warehouse but customers place their orders online or on the phone and then come to designated pickup points to collect their orders?

- A) Manufacturer storage with direct shipping
- B) Manufacturer/distributor storage with customer pickup
- C) Distributor storage with package carrier delivery
- D) Distributor storage with last mile delivery

Answer: <https://biology-forums.com/index.php?topic=787382>

Question 807

_____ is a service factor performance characteristic of Manufacturer or Distributor Storage with Customer Pickup that is lower than other options because of the lack of home delivery. Experience is very sensitive to capability of pickup location.

- A) Response time
- B) Product variety
- C) Customer experience
- D) Time to market

Answer: <https://biology-forums.com/index.php?topic=787392>

Question 808

The value of flexibility increases with an increase in uncertainty.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787496>

Question 809

Which of the following would result in lower return on assets for Katz if all other entries in their selected financial data were held constant?

- A) A reduction in earnings before interest and taxes
- B) An increase in asset turnover
- C) A reduction in total assets
- D) An increase in profit margin

Answer: <https://biology-forums.com/index.php?topic=787275>

Question 810

Companies typically divide the task of supply and demand so that

- A) Marketing manages demand and Operations manages supply.
- B) Marketing manages supply and Operations manages demand.
- C) Marketing manages demand and supply.
- D) Operations manages demand and supply.

Answer: <https://biology-forums.com/index.php?topic=787739>

Question 811

How many rooms should be reserved for corporate clients?

- A) 17
- B) 14
- C) 13
- D) 10

Answer: <https://biology-forums.com/index.php?topic=788324>

Question 812

Forecasting methods that assume that the demand forecast is highly correlated with certain factors in the environment (e.g., the state of the economy, interest rates, etc.) to make a forecast are known as

- A) qualitative forecasting methods.
- B) time series forecasting methods.
- C) causal forecasting methods.
- D) simulation forecasting methods.

Answer: <https://biology-forums.com/index.php?topic=787595>

Question 813

It is best to disaggregate all inventories and use an inexpensive mode of transportation for replenishment when you have a

- A) high-value product and high demand.
- B) high-value product and low demand.
- C) low-value product and high demand.
- D) low-value product and low demand.

Answer: <https://biology-forums.com/index.php?topic=788160>

Question 814

The earliest IT supply chain products were

- A) aggregate planning modules.
- B) cloud-based.
- C) SaaS (software as a service).
- D) enterprise resource planning modules.

Answer: <https://biology-forums.com/index.php?topic=787696>

Question 815

Facility location decisions have a long-term impact on a supply chain's performance because it is cost effective to shut down a facility or move it to a different location.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787410>

Question 816

Customers have usually backed up words about the importance of sustainability with a willingness to pay more for sustainable products.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788371>

Question 817

The disadvantage of building up inventory during the off season to keep production stable year round is the expensive capacity that would go unused during most months when demand was lower.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787714>

Question 818

If production technology displays significant economies of scale, many local locations are the most effective.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787418>

Question 819

Use Solver to determine the alpha that minimizes the MAD for the ten period forecast for the data that appear in this table. Use the actual demand as the forecast for period 1 and then use exponential smoothing.

Period Demand

- 1 300
 - 2 250
 - 3 200
 - 4 500
 - 5 128
 - 6 184
 - 7 166
 - 8 191
 - 9 167
 - 10 177
- A) 0.2
B) 0.3
C) 0.4
D) 0.5

Answer: <https://biology-forums.com/index.php?topic=787629>

Question 820

Single sourcing for a product is used to

- A) guarantee the supplier sufficient business when the supplier has to make a significant buyer-specific investment.
- B) ensure a degree of competition.
- C) ensure the possibility of a backup should a source fail to deliver.
- D) control all possible sources of supply in the market.

Answer: <https://biology-forums.com/index.php?topic=788226>

Question 821

A company's supply chain strategy determines the nature of procurement and transportation of materials as well as the manufacture and distribution of the product.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787189>

Question 822

What is the trend component of Holt's model for period 0?

- A) -2.5
- B) 10.3
- C) 2.5
- D) 6.4

Answer: <https://biology-forums.com/index.php?topic=787615>

Question 823

Companies in the same industry often select very different distribution networks, because the choice of the distribution network can be used to achieve

a variety of supply chain objectives ranging from low cost to high responsiveness.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787331>

Question 824

Suppose the café wishes to carry 8 days of demand as their safety inventory. What service level would they achieve?

- A) 93.9%
- B) 94.4%
- C) 95.2%
- D) 95.7%

Answer: <https://biology-forums.com/index.php?topic=787996>

Question 825

A contract that allows a retailer to return unsold inventory up to a specified amount, at an agreed upon price is a

- A) buyback or returns contract.
- B) revenue-sharing contract.
- C) quantity flexibility contract.
- D) quantity discount contract.

Answer: <https://biology-forums.com/index.php?topic=788229>

Question 826

The advantage of offering a price promotion during periods of low demand to shift some of the demand into a slow period is

- A) a demand pattern that is less expensive to supply.
- B) very high inventory costs because inventory needs to be carried from period to period.
- C) in the fact that a firm could get by with a smaller, more expensive factory.
- D) much of the expensive capacity would go unused during most months when demand was lower.

Answer: <https://biology-forums.com/index.php?topic=787738>

Question 827

The fraction of product demand that is satisfied from product in inventory is the

- A) customer fill rate.
- B) product fill rate.
- C) order fill rate.
- D) cycle service level (CSL).

Answer: <https://biology-forums.com/index.php?topic=787966>

Question 828

_____ is used to determine customer service levels.

- A) Inventory held
- B) Backlog/stockout quantity
- C) Workforce hired/laid off
- D) Machine capacity increase/decrease

Answer: <https://biology-forums.com/index.php?topic=787667>

Question 829

The drawback of Zara's responsive supply chain is that it tends to sell more products at markdown than most of its competitors.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787125>

Question 830

What is the responsibility of a designated category leader?

- A) The category leader manages replenishment decisions for all suppliers.
- B) The category leader manages purchasing decisions for all retailers.
- C) The category leader manages purchasing decisions for all customers.
- D) The category leader manages replenishment decisions for all retailers.

Answer: <https://biology-forums.com/index.php?topic=787848>

Question 831

Hardin (1968) described the tragedy of the commons as a dilemma arising when the common good does not align perfectly with the good of individual entities.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788372>

Question 832

The tailored strategy "Focus on low-cost, decentralized capacity for predictable demand" follows which risk mitigation strategy?

- A) Get redundant suppliers.
- B) Increase capacity.
- C) Increase responsiveness.
- D) Increase inventory.

Answer: <https://biology-forums.com/index.php?topic=787516>

Question 833

Which distribution network design is being used when inventory is stored locally at retail stores and customers walk into the retail store or place an order online or on the phone and pick it up at the retail store?

- A) Manufacturer storage with direct shipping
- B) Distributor storage with package carrier delivery
- C) Distributor storage with last mile delivery
- D) Retail storage with customer pickup

Answer: <https://biology-forums.com/index.php?topic=787385>

Question 834

Weekly demand for avocados at the Guac Shop is normally distributed with a mean of 2500 and a standard deviation of 650. The store manager has decided to follow a periodic review policy to manage inventory of avocados. They plan to order every two weeks. The farmers currently take two weeks to fill an order. Given a desired CSL of 97.5 percent, how much safety inventory should the Guac Shop carry? What should their OUL be?

Answer: <https://biology-forums.com/index.php?topic=788021>

Question 835

Supply chain coordination requires each stage of the supply chain to take into account the impact its actions have on other stages.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787789>

Question 836

An example of a relative measure of emission output is pounds of CO₂ per gallon of diesel fuel.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788375>

Question 837

Aggregating across products, retailers, or suppliers in a single order allows for

- A) an increase in lot size for individual products.
- B) an increase in customer demand.
- C) a reduction in holding cost per unit.
- D) a reduction in lot size for individual products.

Answer: <https://biology-forums.com/index.php?topic=787911>

Question 838

For the same safety inventory, an increase in lot size increases the fill rate but not the cycle service level.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787949>

Question 839

Aggregate planning, to be effective, requires inputs from

- A) all customers.

- B) all departments.
- C) all suppliers.
- D) throughout the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787658>

Question 840

One of the best ways to speed up the process of financial analysis and arrive at a good decision is to

- A) use estimates of inputs when it appears that finding a very accurate input would take an inordinate amount of time.
- B) use estimates backed up by sensitivity analysis when it appears that finding a very accurate input would take an inordinate amount of time.
- C) use estimates of inputs except when it appears that finding a very accurate input would take an inordinate amount of time.
- D) make sure that every detail is very accurate.

Answer: <https://biology-forums.com/index.php?topic=787554>

Question 841

Quick response results in

- A) the manufacturer making a lower profit in the long term if all else is unchanged.
- B) the manufacturer making a lower profit in the short term if all else is unchanged.
- C) the retailer making a lower profit in the short term if all else is unchanged.
- D) the distributor making a lower profit in the short term if all else is unchanged.

Answer: <https://biology-forums.com/index.php?topic=788070>

Question 842

A manufacturer of cat towers wishes to locate a super assembly facility to meet their cat tower assembly needs for the next millennium. Currently, carpet, cylinders, yarn and fasteners are purchased in bulk from suppliers in North Haverbrook, Ogden, and Springfield in the quantities shown in the table. The super assembly facility would ship to distribution centers located in Seattle, Lubbock, Nashville, and Philadelphia. The locations of all of these cities on an x-y grid, transportation costs on a ton per mile basis, and total tonnage are all contained in the table.

Sources/Markets Transportation Cost \$/ton mile (Fn) Quantity in Tons (Dn) Xn Yn

Supply

North Haverbrook 1.1 650 700 1200

Ogden 1.2 450 250 600

Springfield 1.4 400 225 825

Market

Seattle 2.25 300 50 1200

Lubbock 2.25 200 450 300

Nashville 2.25 500 800 250

Philadelphia 2.25 500 950 1100

What is the distance between the Ogden and Seattle locations?

- A) 450 miles
- B) 350 miles
- C) 630 miles
- D) 1050 miles

Answer: <https://biology-forums.com/index.php?topic=787473>

Question 843

The cost of loading/unloading orders, as well as other processing costs associated with transportation, is considered

- A) transportation cost.
- B) inventory cost.
- C) facility cost.
- D) processing cost.

Answer: <https://biology-forums.com/index.php?topic=788153>

Question 844

Retailing in the United States is largely

- A) push/pull.
- B) profitable.
- C) consolidated.
- D) centralized.

Answer: <https://biology-forums.com/index.php?topic=787135>

Question 845

In the context of greenhouse gas emission, the GHG protocol initiative defines three levels of scope. The following scope is referred to as direct emissions.

- A) This scope refers to emissions from GHG sources that are owned or controlled by the reporting entity.
- B) This scope refers to indirect emissions from grid-sourced electricity and other utility services of heat, steam and cooling.
- C) This scope refers to the inclusion of other indirect emissions coming from sources such as the production of purchased materials, outsourced activities, contractor owned vehicles, waste disposal, and employee business travel.
- D) This scope refers to the corporate responsibility for direct discharging of emissions into public water systems.

Answer: <https://biology-forums.com/index.php?topic=788399>

Question 846

The _____ is the average units of demand that are not satisfied from inventory in stock per replenishment cycle.

- A) ROP
- B) ESC
- C) EOQ
- D) CSL

Answer: <https://biology-forums.com/index.php?topic=787977>

Question 847

Which approach to capacity management makes use of spare plant capacity that exists in the form of hours when the plant is not operational?

- A) Time flexibility from workforce
- B) Use of seasonal workforce
- C) Use of subcontracting
- D) Use of dual facilities—dedicated and flexible

Answer: <https://biology-forums.com/index.php?topic=787756>

Question 848

The promotion and pricing decisions made by marketing and sales typically have the objective of

- A) maximizing profitability.
- B) minimizing profitability.
- C) minimizing revenue.
- D) maximizing revenue.

Answer: <https://biology-forums.com/index.php?topic=787768>

Question 849

The cost of making and delivering a product to the customer is referred to as

- A) supply chain responsiveness.
- B) supply chain efficiency.
- C) cost-responsiveness efficient frontier.
- D) implied uncertainty.

Answer: <https://biology-forums.com/index.php?topic=787229>

Question 850

Real time location tracking of vehicles relies on

- A) citizen band radios.
- B) vehicles.
- C) teamsters.
- D) global positioning systems.

Answer: <https://biology-forums.com/index.php?topic=788166>

Question 851

To create an aggregate plan, a company must specify the planning horizon for the plan and the duration of each period within the planning horizon.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787640>

Question 852

A poor aggregate plan can result in

- A) appropriate inventory levels.
- B) efficient use of capacity.
- C) better sales and lost profits.
- D) lost sales and lost profits.

Answer: <https://biology-forums.com/index.php?topic=787668>

Question 853

A planning horizon is usually between three and five years.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787641>

Question 854

The distinction between product fill rate and order fill rate is:

- A) not significant in a single product situation.
- B) significant in a single product situation.
- C) not significant when a firm is selling multiple products.
- D) significant when a firm is selling multiple products.

Answer: <https://biology-forums.com/index.php?topic=787968>

Question 855

Which statement about supply chains is best?

- A) New product development is not a supply chain function.
- B) If a supplier uses a shipping company to send product to a customer, the shipping company is technically not a supply chain member.
- C) Funds in a supply chain flow upstream only.
- D) Flows in a supply chain may be managed by an intermediary.

Answer: <https://biology-forums.com/index.php?topic=787129>

Question 856

The cost of understocking is denoted by C_u and is the margin lost by a firm for each lost sale because there is no inventory on hand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788027>

Question 857

The procurement process for both direct and indirect materials should work on

- A) improving coordination and visibility with the supplier.
- B) decreasing the transaction cost for each order.
- C) consolidation of orders to take advantage of economies of scale and quantity discounts.
- D) minimizing communication with the supplier.

Answer: <https://biology-forums.com/index.php?topic=788245>

Question 858

Distributors add value to a supply chain between a supply stage and a customer stage

- A) if there is a small number of customers requiring a large amount of product.
- B) if there is a large number of customers requiring a large amount of product.
- C) if there are many small players at the customer stage, each requiring a small amount of the product at a time.
- D) if there are a few large players at the customer stage, each requiring a large amount of the product at a time.

Answer: <https://biology-forums.com/index.php?topic=787388>

Question 859

Discuss the approaches a firm can use to manage inventory to meet predictable variability of demand.

Answer: <https://biology-forums.com/index.php?topic=787785>

Question 860

For pull processes, a manager must forecast what customer demand will be in order to plan the level of available capacity and inventory.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787561>

Question 861

An online book store has a distinct disadvantage over a traditional model in the area of

- A) Product variety
- B) Transportation
- C) Product availability
- D) Flexible pricing

Answer: <https://biology-forums.com/index.php?topic=787399>

Question 862

A _____ strategy specifies the portfolio of new products that a company will try to develop.

- A) Product Development
- B) Marketing and Sales
- C) Supply Chain
- D) Finance

Answer: <https://biology-forums.com/index.php?topic=787214>

Question 863

The objective of every supply chain is to maximize the overall value generated.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787109>

Question 864

Tailored postponement allows a firm to increase its profitability by only postponing the uncertain part of the demand and producing the predictable part at a lower cost without postponement.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788036>

Question 865

The costs incurred in sending material out of a facility are

- A) sourcing transportation costs.
- B) outbound transportation costs.
- C) crossbound transportation costs.
- D) inbound transportation costs.

Answer: <https://biology-forums.com/index.php?topic=787363>

Question 866

A firm's new sustainability improvement initiative is best begun by focusing on resource reduction activities.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788377>

Question 867

Scoring the performance of suppliers in terms of replenishment lead time thus allows the firm to evaluate the impact each supplier has on

- A) the cost of holding cycle inventory.
- B) the cost of holding replacement inventory.
- C) the purchase price of material.
- D) the cost of holding safety inventory.

Answer: <https://biology-forums.com/index.php?topic=788215>

Question 868

High tariffs lead to more production locations within a supply chain network, with each location having a lower allocated capacity.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787421>

Question 869

The difference between the values of the buyer and seller is referred to as the

- A) value discrepancy.
- B) spread.
- C) bargaining surplus.
- D) negotiation gap.

Answer: <https://biology-forums.com/index.php?topic=788228>

Question 870

Blue Nile is an online retailer of diamonds that has used responsive transportation to ship diamonds to customers in the United States, Canada, and several countries in Europe and Asia. Which is the mode of transportation used with this strategy?

- A) Sea
- B) Rail
- C) Internet
- D) Air

Answer: <https://biology-forums.com/index.php?topic=787302>

Question 871

Cycle inventory exists because producing or purchasing in large lots allows a stage of the supply chain to

- A) exploit economies of scale and raise cost.
- B) exploit economies of scale and lower cost.
- C) exploit customers and lower cost.
- D) exploit customers and raise cost.

Answer: <https://biology-forums.com/index.php?topic=787886>

Question 872

Faced with a 3000 taco capacity constraint, what is the optimal number of chicken tacos to prepare?

- A) 2758
- B) 1736
- C) 1264
- D) 2500

Answer: <https://biology-forums.com/index.php?topic=788089>

Question 873

A global supply chain with offshoring

- A) reduces the duration of the cash flow and reduces the length of the product flow.
- B) increases the length of the product flow and increases the duration of the information flow.
- C) increases the duration of the cash flow but reduces the duration of the information flow.
- D) reduces the length of the product flow and reduces the length of the information flow.

Answer: <https://biology-forums.com/index.php?topic=787512>

Question 874

Trading partners collaborate on store-level POS forecasts in

- A) store replenishment collaboration.
- B) DC replenishment collaboration.
- C) retail event collaboration.
- D) collaborative assortment planning.

Answer: <https://biology-forums.com/index.php?topic=787852>

Question 875

The lack of supply chain coordination on various measures of performance has costs associated with it. Which of the following is one of these costs?

- A) Quality
- B) Reliability
- C) Manufacturing
- D) Pricing

Answer: <https://biology-forums.com/index.php?topic=787821>

Question 876

The most common use of information technology in transportation is to

- A) determine transportation routes using software.
- B) calculate shipping rates.
- C) connect buyers and sellers.
- D) place person to person calls using cellular technology.

Answer: <https://biology-forums.com/index.php?topic=788164>

Question 877

A discount is volume-based if the pricing schedule offers discounts based on the quantity ordered in a single lot.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787878>

Question 878

Aggregating across products, retailers, or suppliers in a single order allows for a reduction in lot size for individual products because fixed ordering and transportation costs are now spread across multiple products, retailers, or suppliers.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787875>

Question 879

Activities involved in the Customer Relationship Management (CRM) macro process include

- A) planning of internal production and storage.
- B) order fulfillment.
- C) marketing.
- D) supply planning.

Answer: <https://biology-forums.com/index.php?topic=787172>

Question 880

_____ is the ability of a supply chain to delay product differentiation or customization until closer to the time the product is sold.

- A) Specialization
- B) Centralization
- C) Postponement
- D) Aggregation

Answer: <https://biology-forums.com/index.php?topic=787997>

Question 881

Lead time is the gap between

- A) when an order is placed and when it is received.
- B) when an order is received and when it is put away.
- C) when an order is received and when it is used.
- D) when an order is acknowledged and when it is received.

Answer: <https://biology-forums.com/index.php?topic=787979>

Question 882

What is the expected revenue if the student APICS chapter uses dynamic pricing?

- A) \$83,975.47
- B) \$84,349.06
- C) \$84,719.84
- D) \$85,209.84

Answer: <https://biology-forums.com/index.php?topic=788341>

Question 883

A company that checks inventory status at regular periodic intervals and places an order to raise the inventory level to a specified threshold is using

- A) continuous review.
- B) daily review.
- C) occasional review.
- D) periodic review.

Answer: <https://biology-forums.com/index.php?topic=787970>

Question 884

Metrics that would typically be in corporate social responsibility (CSR) reports would contain

- A) revenue.
- B) social.
- C) environmental.
- D) Both B and C

Answer: <https://biology-forums.com/index.php?topic=788398>

Question 885

The goal of procurement is

- A) to analyze spending across various suppliers and component categories to identify opportunities for decreasing the total cost.
- B) to analyze spending across various suppliers and component categories to identify opportunities for increasing the total cost.
- C) to enable orders to be placed and delivered on schedule at the lowest possible overall cost.
- D) to enable orders to be placed and delivered on schedule regardless of cost.

Answer: <https://biology-forums.com/index.php?topic=788218>

Question 886

The evaluation of supply chain networks

- A) should use only one metric.
- B) should use multiple metrics.
- C) should not use more than one metric.
- D) should be subjective.

Answer: <https://biology-forums.com/index.php?topic=787553>

Question 887

Which of the following is a traditional logistics driver of sourcing?

- A) Pricing
- B) Inventory
- C) Sourcing
- D) Information

Answer: <https://biology-forums.com/index.php?topic=788203>

Question 888

Much of aggregate planning has traditionally been focused

- A) on short-term production scheduling.
- B) on customer relationship management.
- C) within an enterprise.
- D) beyond enterprise boundaries.

Answer: <https://biology-forums.com/index.php?topic=787659>

Question 889

The trade-off that a supply chain manager must consider when planning safety inventory is

- A) increasing product availability versus increasing inventory holding costs.
- B) decreasing product availability versus decreasing inventory holding costs.
- C) increasing product availability versus raising the level of safety inventory.
- D) decreasing product availability versus decreasing the level of safety inventory.

Answer: <https://biology-forums.com/index.php?topic=787963>

Question 890

How many orders per year does the diner place if they order at the economic order quantity?

- A) 18
- B) 9
- C) 5
- D) 14

Answer: <https://biology-forums.com/index.php?topic=787904>

Question 891

_____ identifies the difference between the planned production/inventories and the actual values.

- A) Supplier reliability
- B) Forecast error
- C) Variance from plan
- D) Supply quality

Answer: <https://biology-forums.com/index.php?topic=787310>

Question 892

The costs incurred in bringing material into a facility are

- A) sourcing transportation costs.
- B) outbound transportation costs.
- C) crossbound transportation costs.
- D) inbound transportation costs.

Answer: <https://biology-forums.com/index.php?topic=787362>

Question 893

To reduce the optimal lot size by a factor of k , the fixed order cost S must be reduced by a factor of k .

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787874>

Question 894

The manufacturing cycle occurs at the distributor/manufacturer interface.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787116>

Question 895

A company that uses a more expensive short lead time supplier as a backup for a low cost, long lead time supplier is using

- A) tailored sourcing.
- B) quick response.
- C) postponement.
- D) improved forecasting.

Answer: <https://biology-forums.com/index.php?topic=788063>

Question 896

As lead times decrease, supply chain managers are able to

- A) better match supply with demand.
- B) better match demand with supply.
- C) increase supply chain cost.
- D) decrease product availability.

Answer: <https://biology-forums.com/index.php?topic=788066>

Question 897

The retailer can justify the forward buying when

- A) they have inadvertently built up a lot of excess inventory.
- B) the forward buy allows the manufacturer to smooth demand by shifting it from peak to low-demand periods.
- C) it decreases his total cost.
- D) A and C only

Answer: <https://biology-forums.com/index.php?topic=787929>

Question 898

The viability of suppliers is especially important for suppliers who

- A) provide mission-critical products that would be easy to replace.
- B) provide mission-critical products that would be difficult to replace.
- C) provide non-critical products that would be difficult to replace.
- D) provide non-critical products that would be easy to replace.

Answer: <https://biology-forums.com/index.php?topic=788224>

Question 899

The procurement cycle occurs at the manufacturer/supplier interface.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787120>

Question 900

Revenue management may also be defined as the use of differential pricing based on customer segment, time of use, and product or capacity availability to increase supply chain surplus.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788255>

Question 901

A lack of coordination occurs either because different stages of the supply chain have objectives that conflict or because information moving between stages gets delayed and distorted.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787790>

Question 902

Discuss the role of cycle inventory in the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787936>

Question 903

Periodic review policies for inventory replenishment require safety inventory to cover demand during

- A) lead time only.
- B) the review interval only.
- C) both lead time and the review interval.
- D) neither lead time or the review interval.

Answer: <https://biology-forums.com/index.php?topic=788005>

Question 904

Walmart reduced its energy consumption by

- A) adding skylights for natural light.
- B) reducing packaging.
- C) milk jug redesign.
- D) better transportation routing of trucks.

Answer: <https://biology-forums.com/index.php?topic=788393>

Question 905

Which use of common components in a variety of products has been a very effective supply chain strategy to exploit aggregation and reduce component inventories?

- A) Information centralization
- B) Specialization
- C) Product substitution
- D) Component commonality

Answer: <https://biology-forums.com/index.php?topic=788002>

Question 906

In most supply chains, the key to reducing the underlying forecast uncertainty is to link all forecasts throughout the supply chain to customer demand data.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787951>

Question 907

Quick response is clearly advantageous to

- A) a distributor in the supply chain.
- B) a retailer in the supply chain.
- C) a manufacturer in the supply chain.
- D) every step in the supply chain.

Answer: <https://biology-forums.com/index.php?topic=788069>

Question 908

In the pricing schedule for marginal unit quantity discounts,

- A) the average cost of a unit decreases at a breakpoint.
- B) the average cost of a unit increases at a breakpoint.
- C) the marginal cost of a unit decreases at a breakpoint.
- D) the marginal cost of a unit increases at a breakpoint.

Answer: <https://biology-forums.com/index.php?topic=787920>

Question 909

The fundamental trade-off between selling in bulk or on the spot market is

- A) different from the situation where a firm serves two market segments.
- B) similar to the case when a firm serves two market segments.
- C) similar to the case where a firm must deal with seasonal demand.
- D) similar to the case where a firm has a perishable asset.

Answer: <https://biology-forums.com/index.php?topic=788351>

Question 910

When faced with a network design decision, the goal of a manager is to design a network that

- A) maximizes the firm's profits.
- B) minimizes the firm's costs.
- C) satisfies customer needs in terms of demand and responsiveness.
- D) maximizes the firm's profits while satisfying customer needs in terms of demand and responsiveness.

Answer: <https://biology-forums.com/index.php?topic=787467>

Question 911

A facility that serves the market where it is located but also assumes responsibility for product customization, process improvements, product modifications, or product development is

- A) an offshore facility.
- B) a source facility.
- C) a server facility.
- D) a contributor facility.

Answer: <https://biology-forums.com/index.php?topic=787450>

Question 912

Discuss the advantages and disadvantages of quick response.

Answer: <https://biology-forums.com/index.php?topic=788098>

Question 913

_____ is a service factor performance characteristic of Retail Storage at Consumer Pickup Sites that is lower than all other options.

- A) Response time
- B) Product variety
- C) Product availability
- D) Time to market

Answer: <https://biology-forums.com/index.php?topic=787391>

Question 914

Which of the following are key components of information that must be analyzed to increase efficiency and improve effectiveness in a supply chain?

- A) Software selection
- B) Source selection
- C) Warehouse selection
- D) Forecasting and aggregate planning

Answer: <https://biology-forums.com/index.php?topic=787303>

Question 915

Explain why transportation systems should be tailored.

Answer: <https://biology-forums.com/index.php?topic=788173>

Question 916

The costs considered in lot sizing decisions include material cost, fixed ordering cost, and manufacturing cost.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787872>

Question 917

A supply chain includes only the organizations directly involved in supplying components needed for manufacturing.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787108>

Question 918

_____ reduced the amount of harmful phosphates in laundry and dish detergents in the Americas region by 14.5 percent in 2011 with a goal of reaching a reduction of 70 percent.

- A) Walmart
- B) BASF
- C) 3M
- D) Procter & Gamble

Answer: <https://biology-forums.com/index.php?topic=788417>

Question 919

Suppose that a highway is governed by a use fee charged to motorists that is based on congestion, operation and maintenance. The total traffic t is used to determine the cost of $5t^2$. What is the marginal cost?

- A) 5
- B) $5t$
- C) 10
- D) $10t$

Answer: <https://biology-forums.com/index.php?topic=788138>

Question 920

The quality of the forecast can be improved by using information from

- A) the focal firm.
- B) downstream partners.
- C) upstream partners.
- D) competing supply chains.

Answer: <https://biology-forums.com/index.php?topic=787700>

Question 921

A contract that decreases overall costs but leads to higher lot sizes and thus higher levels of inventory in the supply chain is a

- A) buyback or returns contract.
- B) revenue-sharing contract.
- C) quantity flexibility contract.
- D) quantity discount contract.

Answer: <https://biology-forums.com/index.php?topic=788232>

Question 922

The _____ strategy results in a peak during the discount week, often followed by a steep drop in demand during the following weeks.

- A) Everyday low pricing
- B) High-low pricing
- C) Fixed price
- D) Menu pricing

Answer: <https://biology-forums.com/index.php?topic=787318>

Question 923

Coordination requires every stage of the supply chain to focus on

- A) the functional revenues for each supply chain member.
- B) the functional profits for each supply chain member.
- C) the functional costs for each supply chain member.
- D) supply chain surplus.

Answer: <https://biology-forums.com/index.php?topic=787837>

Question 924

Offshoring typically lowers labor, working capital and fixed costs but increases risk and freight costs.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787489>

Question 925

The operational parameter concerned with the number of units completed per unit time (such as per week or per month) is

- A) production rate.
- B) workforce.
- C) overtime.
- D) backlog.

Answer: <https://biology-forums.com/index.php?topic=787660>

Question 926

In product-based tailored sourcing,

- A) low-volume products with uncertain demand are obtained from a flexible source.
- B) high-volume products with less demand uncertainty are obtained from an efficient source.
- C) high-volume products with less demand uncertainty are obtained from a flexible source.
- D) A and B only

Answer: <https://biology-forums.com/index.php?topic=788077>

Question 927

Online sales increase _____ when compared to the performance of traditional brick and mortar retail stores.

- A) outbound transportation costs
- B) the inventory holding cost
- C) the cost of building and maintaining facilities in a supply chain network
- D) overall supply chain costs

Answer: <https://biology-forums.com/index.php?topic=787397>

Question 928

Quantity discounts lower the unit cost

- A) but tend to increase the required batch size and as a result, reduce the cycle inventory.
- B) but tend to increase the required batch size and as a result the cycle inventory.
- C) and tend to reduce the required batch size and as a result the cycle inventory.
- D) and tend to reduce the required batch size and as a result, increase the cycle inventory.

Answer: <https://biology-forums.com/index.php?topic=788222>

Question 929

A contract that allows the buyer to modify the order (within limits agreed to by the supplier) as demand visibility increases closer to the point of sale is a

- A) buyback or returns contract.
- B) revenue-sharing contract.
- C) quantity flexibility contract.
- D) quantity discount contract.

Answer: <https://biology-forums.com/index.php?topic=788231>

Question 930

If George and a single Jerk Store act as a vertically integrated supply chain, what is the total supply chain expected profit if an optimal order quantity is

placed?

- A) \$16,462
- B) \$16,571
- C) \$16,680
- D) \$16,789

Answer: <https://biology-forums.com/index.php?topic=788240>

Question 931

The fact that each stage in a supply chain forecasts demand based on the stream of orders received from the downstream stage results in

- A) forecasts based on actual consumer demand patterns.
- B) a reduction in demand as we move up the supply chain from the retailer to the manufacturer.
- C) a magnification of fluctuations in demand as we move up the supply chain from the retailer to the manufacturer.
- D) an increase in forecast accuracy.

Answer: <https://biology-forums.com/index.php?topic=787827>

Question 932

A firm can vary supply of product by controlling

- A) production capacity and inventory.
- B) production capacity and price promotions.
- C) price promotions and inventory.
- D) production capacity and inventory promotions.

Answer: <https://biology-forums.com/index.php?topic=787748>

Question 933

The goal of optimization in revenue management is to identify a tactic

- A) using forecasts of customer behavior that will be most effective.
- B) using linear regression that will maximize revenue.
- C) using linear regression that will minimize cost.
- D) that will not have to be altered.

Answer: <https://biology-forums.com/index.php?topic=788358>

Question 934

When formulating aggregate plans,

- A) forecast errors have no impact.
- B) forecast errors must be taken into account.
- C) forecast accuracy is assumed.
- D) forecast accuracy is not a factor.

Answer: <https://biology-forums.com/index.php?topic=787689>

Question 935

The allocation of supply sources and markets to facilities has a significant impact on performance because it affects total production, inventory, and transportation costs incurred by the supply chain to satisfy customer demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787412>

Question 936

The goal of aggregate planning is to satisfy demand in a way that minimizes profit.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787635>

Question 937

The tactic of varying price over time is suitable for assets such as fashion apparel that have a clear date beyond which they lose a lot of their value.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788264>

Question 938

Toyota's global complementation strategy

- A) calls for plants to be devoted to the production of vehicles for only the local market.
B) dictates that parts plants be built to supply all of the needs for each vehicle production plant worldwide.
C) requires that a single parts plant, for example, for brakes, export brake components to all of its vehicle assembly plants worldwide.
D) mandates that plants can produce vehicles for export to markets that remain strong when the local market weakens.

Answer: <https://biology-forums.com/index.php?topic=787177>

Question 939

The cost of overselling is denoted by C_o and is the loss incurred by a firm for each unsold unit at the end of the selling season.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788026>

Question 940

The cycle view of the supply chain is useful when considering operational decisions, because

- A) it categorizes processes based on whether they are initiated in response to or in anticipation of customer orders.
B) it specifies the roles and responsibilities of each member of the supply chain.
C) processes are identified as either reactive or speculative.
D) it focuses on processes that are external to the firm.

Answer: <https://biology-forums.com/index.php?topic=787166>

Question 941

An effective revenue management tactic when faced with seasonal peaks is to charge a

- A) high price during the peak period and a higher price during off-peak periods.
B) higher price during the peak period and a lower price during off-peak periods.
C) lower price during the peak period and a higher price during off-peak periods.
D) low price during the peak period and a lower price during off-peak periods.

Answer: <https://biology-forums.com/index.php?topic=788338>

Question 942

Leaders in many supply chains have started moving toward collaborative forecasting to improve their ability to match supply and demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787563>

Question 943

Which of the following is an advantage of manufacturer/distributor storage with customer pickup?

- A) Facility costs can be very high if new facilities have to be built.
B) Transportation cost is lower than the use of package carriers, especially if using an existing delivery network.
C) Order visibility is difficult but essential.
D) Product variety is similar to other manufacturer or distributor storage options.

Answer: <https://biology-forums.com/index.php?topic=787383>

Question 944

Serving a medium density of customers at a short distance is best done using

- A) an LTL carrier.
B) third party milk runs.
C) a package carrier.
D) a private fleet with milk runs.

Answer: <https://biology-forums.com/index.php?topic=788159>

Question 945

The taco stand manager decides to make exactly the same quantity of fish tacos as chicken tacos. If time and capacity are not an issue, and none of the other parameters in the scenario are changed, what would the retail price of chicken tacos need to be to make the optimal order quantities identical?

- A) \$6.00
B) \$6.50
C) \$7.00
D) \$7.50

Answer: <https://biology-forums.com/index.php?topic=788087>

Question 946

The reserved quantity will be affected by the difference in margin between the spot market and the bulk sale, but not the distribution of demand from the spot market.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788304>

Question 947

Which of these statements about use fees for a highway is best?

- A) A flat rate results in lower use by most individuals.
- B) A flat rate results in higher use by most individuals.
- C) A flat rate has no impact on use by most individuals.
- D) A fee based on congestion results in higher use by most individuals.

Answer: <https://biology-forums.com/index.php?topic=788141>

Question 948

Decisions made during the supply chain design phase regarding significant investments in the supply chain, such as the number and size of plants to build, the number of trucks to purchase or lease, and whether to build or lease warehouse space,

- A) can be altered in the short term.
- B) cannot be altered in the short term.
- C) cannot be altered in the long term.
- D) can only be altered in the short term.

Answer: <https://biology-forums.com/index.php?topic=787505>

Question 949

The NPV (net present value) of a cash stream that is equal to \$100 per period for 5 periods with a rate of return of 12% per period would be

- A) \$360.48.
- B) \$382.98.
- C) \$403.73.
- D) \$416.51.

Answer: <https://biology-forums.com/index.php?topic=787529>

Question 950

Uncertainty in demand and economic factors should be included in the financial evaluation of supply chain design decisions, because

- A) the exclusion of certainty may have a significant impact on this evaluation.
- B) the exclusion of uncertainty may have a significant impact on this evaluation.
- C) the inclusion of certainty may have a significant impact on this evaluation.
- D) the inclusion of uncertainty may have a significant impact on this evaluation.

Answer: <https://biology-forums.com/index.php?topic=787535>

Question 951

When either the supply of raw materials or the demand for the finished product is highly variable, forecasting and the accompanying managerial decisions

- A) are extremely simple.
- B) are relatively straightforward.
- C) are extremely difficult.
- D) should not be attempted.

Answer: <https://biology-forums.com/index.php?topic=787587>

Question 952

The resulting accuracy of a collaborative forecast enables supply chains to be

- A) more responsive but less efficient in serving their customers.
- B) both more responsive and more efficient in serving their customers.
- C) less responsive but less efficient in serving their customers.
- D) both less responsive and less efficient in serving their customers.

Answer: <https://biology-forums.com/index.php?topic=787582>

Question 953

The processes involved in the manufacturing cycle include

- A) order trigger.
- B) production scheduling.
- C) order fulfillment.
- D) order entry.

Answer: <https://biology-forums.com/index.php?topic=787161>

Question 954

As Adam Smith put it so eloquently in the Wealth of Nations, "If a foreign country can supply us with a commodity cheaper than we ourselves can make it,...

- A) ...it is only right that we should learn their method of production, so that we too can master the commodity..."
- B) ...then we would be well-served to include them in our supply chain..."
- C) ...better buy it from them with some part of our own industry..."
- D) ...we should barter with them or take it by force if they prove to be unreasonable..."

Answer: <https://biology-forums.com/index.php?topic=787511>

Question 955

The goal when making the overbooking decision is to maximize supply chain profits by minimizing the cost of wasted capacity and the cost of capacity shortage.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788270>

Question 956

With supply and demand management decisions being made independently,

- A) it is increasingly difficult to coordinate the supply chain, thereby increasing profit.
- B) it is increasingly difficult to coordinate the supply chain, thereby decreasing profit.
- C) it is easier to coordinate the supply chain, thereby decreasing profit.
- D) it is easier to coordinate the supply chain, thereby increasing profit.

Answer: <https://biology-forums.com/index.php?topic=787740>

Question 957

Seasonal demand can be met by

- A) maintaining enough manufacturing capacity to meet demand in any period.
- B) building up inventory during the off season to meet demand during peak seasons.
- C) offering a price promotion during periods of low demand to shift some of the demand into a slow period.
- D) all of the above

Answer: <https://biology-forums.com/index.php?topic=787733>

Question 958

_____ may reduce overall profits for a firm if a single product contributes the majority of the demand.

- A) Shortened forecasting window
- B) Quick response
- C) Postponement
- D) Tailored sourcing

Answer: <https://biology-forums.com/index.php?topic=788082>

Question 959

In the short to medium term, an improved focus on sustainability provides benefits that

- A) are shared but costs that may be local to a firm.
- B) are local to firms but a cost that is global.
- C) are shared and costs that are global.
- D) are local and costs that are global.

Answer: <https://biology-forums.com/index.php?topic=788394>

Question 960

Supply chain surplus involves what two parts?

- A) Manufacturing cost and selling price
- B) Customer value and supply chain cost
- C) Customer value and high quality products
- D) Reliable transportation and supply chain cost

Answer: <https://biology-forums.com/index.php?topic=787131>

Question 961

Describe the impact of forecasts based on orders rather than actual customer demand.

Answer: <https://biology-forums.com/index.php?topic=787863>

Question 962

Develop forecasts for June through October using these techniques: moving average of two period, simple exponential smoothing with an alpha of 0.8, and Holt's method. For the exponential smoothing model assume that the forecast for May is the actual demand for May. Comment on the use of these three methods to generate a forecast in this situation.

Answer: <https://biology-forums.com/index.php?topic=787632>

Question 963

Seasonal inventory is inventory that is built up to counter predictable variability in demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787269>

Question 964

Which of these software vendors offer advanced planning systems?

- A) SAP
- B) Solver
- C) Excel
- D) Google

Answer: <https://biology-forums.com/index.php?topic=787698>

Question 965

What is the name of the plan that breaks apart the aggregate plan into distinct product families?

- A) Master production schedule
- B) Rough cut capacity plan
- C) SKU aggregate plan
- D) Process plan

Answer: <https://biology-forums.com/index.php?topic=787694>

Question 966

An increase in forecast accuracy

- A) decreases both the overstocked and understocked quantity and decreases a firm's profits.
- B) decreases both the overstocked and understocked quantity and increases a firm's profits.
- C) increases both the overstocked and understocked quantity and decreases a firm's profits.
- D) increases both the overstocked and understocked quantity and increases a firm's profits.

Answer: <https://biology-forums.com/index.php?topic=788064>

Question 967

An third party may increase the supply chain surplus by aggregating warehousing needs over several firms. This is called

- A) capacity aggregation.
- B) inventory aggregation.
- C) warehouse aggregation.
- D) relationship aggregation.

Answer: <https://biology-forums.com/index.php?topic=788208>

Question 968

A customer does not necessarily want the highest level of performance along all dimensions of customer service, including response time, product variety, product availability, customer experience, order visibility, and returnability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787332>

Question 969

If the technology is flexible, it becomes more difficult to consolidate manufacturing in a few large facilities.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787420>

Question 970

The cruise line's insurance policy limits the number of donkeys in their herd to 5,000. What bulk price should the cruise line negotiate to make the 5,000 donkey herd size optimal?

- A) \$18,586 per ten thousand
- B) \$18,362 per ten thousand
- C) \$18,134 per ten thousand
- D) \$17,978 per ten thousand

Answer: <https://biology-forums.com/index.php?topic=788356>

Question 971

Having multiple sources ensures a degree of competition and also the possibility of a backup, should a source fail to deliver.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788187>

Question 972

Discuss the primary objective and operational parameters of aggregate planning.

Answer: <https://biology-forums.com/index.php?topic=787705>

Question 973

Decisions made during the supply chain design phase regarding significant investments in the supply chain, such as the number and size of plants to build, the number of trucks to purchase or lease, and whether to build or lease warehouse space, cannot be altered in the short term.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787485>

Question 974

A key to reducing lot size without increasing costs is to

- A) reduce the holding cost associated with each lot.
- B) reduce the fixed cost associated with each lot.
- C) reduce the material cost associated with each lot.
- D) reduce the manufacturing cost associated with each lot.

Answer: <https://biology-forums.com/index.php?topic=787916>

Question 975

Pretzle Wagon is evaluating the possibility of offshoring part of his operation and developing a spreadsheet to help assess the total cost of the decision. What elements should be included in the evaluation?

Answer: <https://biology-forums.com/index.php?topic=787555>

Question 976

What is the level component of Holt's model for period 0?

- A) -2.5
- B) 10.3
- C) 2.5
- D) 6.4

Answer: <https://biology-forums.com/index.php?topic=787617>

Question 977

Aggregate forecasts are usually more accurate than disaggregate forecasts, as they tend to have a smaller standard deviation of error relative to the mean.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787567>

Question 978

Good design collaboration for manufacturability and supply chain can

- A) reduce product cost.
- B) increase required inventories.
- C) increase transportation cost.
- D) decrease manufacturability.

Answer: <https://biology-forums.com/index.php?topic=788223>

Question 979

The main advantage of a distribution network with local storage is that it can lower the delivery cost and provide a faster response than other networks.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787339>

Question 980

Milk runs reduce outbound transportation costs by consolidating large shipments.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788111>

Question 981

Advanced planning systems for aggregate planning rely heavily on _____ to deliver their full potential.

- A) forecasting
- B) the supply chain
- C) constraints
- D) data accuracy

Answer: <https://biology-forums.com/index.php?topic=787697>

Question 982

Effective differential pricing over time will generally

- A) decrease the level of product availability for the consumer willing to pay full price and also decrease total profits for the retailer.
- B) decrease the level of product availability for the consumer willing to pay full price but will increase total profits for the retailer.
- C) increase the level of product availability for the consumer willing to pay full price and also increase total profits for the retailer.
- D) increase the level of product availability for the consumer willing to pay full price but will decrease total profits for the retailer.

Answer: <https://biology-forums.com/index.php?topic=788330>

Question 983

Consider the factors influencing total cost and supplier performance. Which of the following is the LEAST quantifiable factor?

- A) Supplier price
- B) Supplier terms
- C) Support
- D) Warehousing cost

Answer: <https://biology-forums.com/index.php?topic=788220>

Question 984

Supply chain strategy specifies what the operations, distribution, and service functions, whether performed in-house or outsourced, should do particularly well.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787188>

Question 985

Describe the role of revenue management.

Answer: <https://biology-forums.com/index.php?topic=788362>

Question 986

The bullwhip effect causes

- A) maximization of supply chain surplus.
- B) improved accuracy of demand information within the supply chain.
- C) different stages of the supply chain to have a very different estimate of what demand looks like.
- D) less need for aggregate planning.

Answer: <https://biology-forums.com/index.php?topic=787811>

Question 987

The lack of information sharing between the retailer and manufacturer

- A) improves supply chain coordination.
- B) minimizes the fluctuation in manufacturer orders.
- C) leads to a large fluctuation in manufacturer orders.
- D) leads to smaller fluctuations in suppliers' orders.

Answer: <https://biology-forums.com/index.php?topic=787828>

Question 988

A manufacturer of cat towers wishes to locate a super assembly facility to meet their cat tower assembly needs for the next millennium. Currently, carpet, cylinders, yarn and fasteners are purchased in bulk from suppliers in North Haverbrook, Ogden, and Springfield in the quantities shown in the table. The super assembly facility would ship to distribution centers located in Seattle, Lubbock, Nashville, and Philadelphia. The locations of all of these cities on an x-y grid, outbound transportation costs on a ton per mile basis, and total tonnage are all contained in the table.

Sources/Markets Transportation Cost \$/ton mile (Fn) Quantity in Tons (Dn) Xn Yn

Supply

North Haverbrook 1.1 650 700 1200

Ogden 1.2 450 250 600

Springfield 1.4 400 225 825

Market

Seattle 2.25 300 50 1200

Lubbock 2.25 200 450 300

Nashville 2.25 500 800 250

Philadelphia 2.25 500 950 1100

What is the minimal shipping cost that satisfies all market demand?

- A) \$2,546,632
- B) \$2,586,342
- C) \$2,451,668
- D) \$2,522,982

Answer: <https://biology-forums.com/index.php?topic=787476>

Question 989

For any supply chain, the source of revenue is generated by

- A) efficient operations.
- B) information flows.
- C) the customer.
- D) product flows.

Answer: <https://biology-forums.com/index.php?topic=787132>

Question 990

A distribution network designer needs to consider product characteristics as well as network requirements when deciding on the appropriate delivery network.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787341>

Question 991

The ability of the customer to track their order from placement to delivery is

- A) customer experience.
- B) order visibility.
- C) product availability.
- D) response time.

Answer: <https://biology-forums.com/index.php?topic=787361>

Question 992

Supply chain responsiveness includes the ability to do which of the following?

- A) Handle supply uncertainty
- B) Understand customers and supply chain uncertainty
- C) Match supply chain responsiveness with the implied uncertainty of demand
- D) Ensure that all functional strategies within the supply chain support the supply chain's level of responsiveness

Answer: <https://biology-forums.com/index.php?topic=787226>

Question 993

How do firms address the problems of spoilage and spill?

Answer: <https://biology-forums.com/index.php?topic=788365>

Question 994

The average inventory in the supply chain due to either production or purchases in lot sizes that are larger than those demanded by the customer is

- A) annual inventory.
- B) distribution inventory.
- C) cycle inventory.
- D) physical inventory.

Answer: <https://biology-forums.com/index.php?topic=787888>

Question 995

The vehicle-related cost is incurred whether the vehicle is operating or not and is considered fixed for short-term operational decisions by the carrier. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788105>

Question 996

Postponement allows the supply chain to delay product differentiation, which results in disaggregating most of the inventories in the supply chain. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787957>

Question 997

In general, the reverse logistics function for a manufacturer is more expensive to operate on a per unit basis than the forward logistics function that sends the products to market. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788385>

Question 998

In general, traditional brick and mortar retail sales outperform online sales along the dimension of

- A) product variety.
- B) efficient funds transfer.
- C) product returns.
- D) order status tracking.

Answer: <https://biology-forums.com/index.php?topic=787395>

Question 999

If George and a single Jerk Store act as a vertically integrated supply chain, what is the optimal quantity for the Jerk Store to order?

- A) 2633
- B) 2840
- C) 3069
- D) 3267

Answer: <https://biology-forums.com/index.php?topic=788239>

Question 1000

A company's marketing and sales strategy

- A) defines the set of customer needs that it seeks to satisfy through its products and services.

- B) specifies the portfolio of new products that it will try to develop.
C) specifies how the market will be segmented and how the product will be positioned, priced, and promoted.
D) determines the nature of procurement and transportation of materials as well as manufacture and distribution of the product.

Answer: <https://biology-forums.com/index.php?topic=787211>

Question 1001

In this approach to managing capacity, a firm uses flexible work hours by the workforce to manage capacity to better meet demand.

- A) Time flexibility from workforce
B) Use of seasonal workforce
C) Use of subcontracting
D) Use of dual facilities—specialized and flexible

Answer: <https://biology-forums.com/index.php?topic=787744>

Question 1002

Lisa rented her goats out to anyone interested in clearing underbrush the natural way on their acreage. She received a call from her client Mary on June 21 and delivered her herd of goats to the site on June 24. The goats were done on June 30 and Lisa presented Mary with an invoice the same day. Mary wrote Lisa a check on July 18 and Lisa cashed it on July 21. What was Lisa's days payable outstanding for Mary's job?

- A) 18 days
B) 24 days
C) 27 days
D) 30 days

Answer: <https://biology-forums.com/index.php?topic=787316>

Question 1003

Which of these costs was higher for Netflix than for their vanquished competitor, Blockbuster?

- A) Property
B) Inventory
C) Facility
D) Transportation

Answer: <https://biology-forums.com/index.php?topic=787400>

Question 1004

The following warehousing methodology is one in which goods are not actually warehoused in a facility. Instead, trucks from suppliers, each carrying a different type of product, deliver goods to a facility. There the inventory is broken into smaller lots and quickly loaded onto store-bound trucks that carry a variety of products, some from each of the supplier trucks.

- A) Warehouse unit storage
B) Stock keeping unit (SKU) storage
C) Job lot storage
D) Cross-docking

Answer: <https://biology-forums.com/index.php?topic=787292>

Question 1005

Once a local donkey herder learns of the cruise line's plan, he raises his donkey rental price to \$25 per tourist. How many donkeys should be in the cruise line's herd?

- A) 9,111
B) 8,971
C) 9,139
D) 8,707

Answer: <https://biology-forums.com/index.php?topic=788354>

Question 1006

Cycle inventory is primarily held to take advantage of economies of scale and reduce profit within the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787870>

Question 1007

Naturally, the professor will purchase the optimal number of boxes. (He's had a course or two in supply chain management and knows this model

well.) What is the expected number of boxes that he doesn't sell?

- A) 5
- B) 18
- C) 13
- D) 7

Answer: <https://biology-forums.com/index.php?topic=788057>

Question 1008

In tailored sourcing, firms use a combination of two supply sources,

- A) one focusing on cost but unable to handle uncertainty well, and the other focusing on flexibility to handle uncertainty, but at a higher cost.
- B) one focusing on cost and able to handle uncertainty well, and the other focusing on flexibility to handle uncertainty, but at a higher cost.
- C) one focusing on cost but unable to handle uncertainty well, and the other focusing on flexibility to handle uncertainty at a lower cost.
- D) one focusing on cost and able to handle uncertainty well, and the other focusing on flexibility to handle uncertainty at a lower cost.

Answer: <https://biology-forums.com/index.php?topic=788076>

Question 1009

Supply chain network design decisions classified as facility location are concerned with

- A) what processes are performed at each facility.
- B) where facilities should be located.
- C) how much capacity should be allocated to each facility.
- D) what markets each facility should serve and which supply sources should feed each facility.

Answer: <https://biology-forums.com/index.php?topic=787430>

Question 1010

Marginal unit quantity discounts have also been referred to as multi-block tariffs.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787880>

Question 1011

A firm that builds dedicated facilities to produce a relatively stable output of products over time in a very efficient manner and purchases peak production capability from other companies is using subcontracting.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787721>

Question 1012

The advantage of building up inventory during the off season to meet demand during peak seasons and keep production stable year round is

- A) very low inventory costs because no inventory needs to be carried from period to period.
- B) much of the expensive capacity would go unused during most months when demand was lower.
- C) in the fact that a firm could get by with a smaller, less expensive factory.
- D) in the fact that a firm could get by with a larger, more expensive factory.

Answer: <https://biology-forums.com/index.php?topic=787736>

Question 1013

What rate of return results in a present value of \$432 for \$250 received one year from now and another \$250 received two years from now?

- A) 9.89%
- B) 10.32%
- C) 10.94%
- D) 11.37%

Answer: <https://biology-forums.com/index.php?topic=787528>

Question 1014

The warehousing methodology that uses a traditional warehouse to store all of one type of product together is

- A) warehouse unit storage.
- B) stock keeping unit (SKU) storage.
- C) job lot storage.
- D) cross-docking.

Answer: <https://biology-forums.com/index.php?topic=787290>

Question 1015

Capacity used to satisfy demand that is higher than forecasted is

- A) safety backlog.
- B) safety capacity.
- C) safety inventory.
- D) safety sales.

Answer: <https://biology-forums.com/index.php?topic=787692>

Question 1016

Often, safety inventory calculations in practice

- A) do not include any measure of supply uncertainty, resulting in levels that may be higher than required.
- B) do not include any measure of supply uncertainty, resulting in levels that may be lower than required.
- C) include measures of supply uncertainty, resulting in levels that may be higher than required.
- D) include any measures of supply uncertainty, resulting in levels that may be lower than required.

Answer: <https://biology-forums.com/index.php?topic=787992>

Question 1017

The selection of suppliers, design of supplier contracts, product design collaboration, procurement of material, and evaluation of supplier performance are a part of

- A) procurement.
- B) sourcing.
- C) supplier scoring and assessment.
- D) supplier selection.

Answer: <https://biology-forums.com/index.php?topic=788216>

Question 1018

A(n) _____ in supply uncertainty can help _____ safety inventory required without hurting product availability.

- A) reduction, increase
- B) increase, reduce
- C) reduction, reduce
- D) reduction, cancel

Answer: <https://biology-forums.com/index.php?topic=787993>

Question 1019

Seasonal inventory should be used when

- A) a company can rapidly change the rate of its production system at a very low cost.
- B) changing the rate of production is expensive (e.g., when workers must be hired or fired).
- C) adjusting to a period of low demand without incurring large costs.
- D) the world is perfectly predictable.

Answer: <https://biology-forums.com/index.php?topic=787298>

Question 1020

If the corporate demand and standard deviation both decrease by 50%, how many rooms should be reserved for corporate clients?

- A) 7
- B) 8
- C) 9
- D) 10

Answer: <https://biology-forums.com/index.php?topic=788326>

Question 1021

The expected shortage per replenishment cycle (ESC) is the average units of demand that are satisfied from inventory in stock per replenishment cycle.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787948>

Question 1022

Without actually solving the aggregate planning problem, it is safe to conclude that in the optimal solution to Scenario 8.2,

- A) the total ending inventory will exceed the number of units made using overtime.
- B) the number of units made using subcontracting will exceed the number of units made using overtime.
- C) the number of units made using regular time will exceed the forecast.
- D) the number of units made using subcontracting will exceed the number of units made using regular time.

Answer: <https://biology-forums.com/index.php?topic=787688>

Question 1023

The implications of culture should not be glossed over because

- A) tariffs and tax incentives should be carefully considered.
- B) facilities last a long time and have an enduring impact on a firm's performance.
- C) it is astounding how often tax incentives drive the choice of location.
- D) the location of a facility has a significant impact on the extent and form of communication that develops in the supply chain network.

Answer: <https://biology-forums.com/index.php?topic=787477>

Question 1024

Zara's supply chain strategy

- A) results in supply more closely matching customer demand.
- B) results in longer lead times for store order fulfillment, primarily due to shipping time.
- C) of purely online sales reduces the costs that they would incur with a brick and mortar store system.
- D) of high volume but low cost apparel requires production well in advance of the actual selling season for each garment type.

Answer: <https://biology-forums.com/index.php?topic=787176>

Question 1025

Ultimately, a proper understanding of customer preferences and a quantification of the impact of various tactics on consumer behavior are at the core of successful revenue management.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788305>

Question 1026

The forecasting function is not necessary for most revenue management systems.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788278>

Question 1027

Effective sourcing processes within a firm can improve profits for the firm and total supply chain surplus in a variety of ways.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788180>

Question 1028

On a recent road trip to the Big Easy, the absentee landlord recorded his gasoline purchases in a logbook that he intended to support his rental expenses for the year. The entries are in the table below:

Gallons Total Cost

- 15 \$44.40
- 16 \$36.32
- 13.5 \$34.70
- 18 \$45.90
- 8 \$23.36
- 12 \$30.72

What is the average order size of the gasoline?

- A) 15.00
- B) 13.75
- C) 14.25
- D) 14.75

Answer: <https://biology-forums.com/index.php?topic=787322>

Question 1029

The net present value (NPV) of a stream of cash flows is equal to

- A) the sum of all cash flows for all periods being considered.
- B) the sum of all cash flows for all periods being considered divided by the number of periods.
- C) the average of all cash flows for all periods being considered multiplied by the number of periods.
- D) the sum of all cash flows for all periods being considered discounted by the rate of return for each period.

Answer: <https://biology-forums.com/index.php?topic=787524>

Question 1030

The degree of supply chain responsiveness should be consistent with the implied uncertainty.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787190>

Question 1031

Which mode of transportation is the least expensive?

- A) Air
- B) Truck
- C) Rail
- D) Water

Answer: <https://biology-forums.com/index.php?topic=788133>

Question 1032

In general, as the fraction of increased demand coming from forward buying grows, offering the promotion during the peak demand period becomes more attractive.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787726>

Question 1033

Average inventory

- A) increases if a promotion is run during the peak period.
- B) increases if a promotion is run during the off-peak period.
- C) decreases if a promotion is run during the peak period.
- D) decreases if a promotion is run during the off-peak period.

Answer: <https://biology-forums.com/index.php?topic=787777>

Question 1034

Supplier performance analysis should be used to build a portfolio of suppliers with similar strengths.
Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788195>

Question 1035

The relationship between the manufacturer and supplier during the procurement cycle is very similar to the relationship between

- A) customer and retailer.
- B) retailer and distributor.
- C) distributor and manufacturer.

Answer: <https://biology-forums.com/index.php?topic=787165>

Question 1036

Decisions made during the supply chain design phase regarding significant investments in the supply chain, such as the number and size of plants to build, the number of trucks to purchase or lease, and whether to build or lease warehouse space,

- A) are realigned every few weeks.
- B) only remain in place for several years.
- C) only remain in place for a few weeks.
- D) often remain in place for several years.

Answer: <https://biology-forums.com/index.php?topic=787506>

Question 1037

_____ can be used to assess the environmental impacts associated with a product's life from cradle to grave.

- A) CRM
- B) SRM
- C) LCA
- D) MRP

Answer: <https://biology-forums.com/index.php?topic=788416>

Question 1038

A firm may increase the number of facilities beyond the point that minimizes total logistics cost to improve the response time to its customers. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787425>

Question 1039

Lot sizes and cycle inventory do not affect the flow time of material within the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787868>

Question 1040

The bullwhip effect enables different stages of the supply chain to have a consistent estimate of what demand looks like.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787791>

Question 1041

The presence of lead paint in some of its most popular toys forced _____ to recall hundreds of thousands of toys sold between April and July of 2007.

- A) Walmart
- B) Hasbro
- C) Mattel
- D) Remco

Answer: <https://biology-forums.com/index.php?topic=788420>

Question 1042

Quantity discounts lead to

- A) a significant buildup of cycle inventory in the supply chain.
- B) a slight buildup of cycle inventory in the supply chain.
- C) a decrease in cycle inventory in the supply chain.
- D) minor fluctuations of cycle inventory in the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787921>

Question 1043

Naturally, the professor will purchase the optimal number of boxes. (He's had a course or two in supply chain management and knows this model well.) What is his expected profit from purchasing the optimal number of boxes?

- A) \$11,975
- B) \$11,455
- C) \$11,165
- D) \$10,835

Answer: <https://biology-forums.com/index.php?topic=788056>

Question 1044

The fraction of replenishment cycles that end with all the customer demand being met is the

- A) customer fill rate.
- B) product fill rate.
- C) order fill rate.
- D) cycle service level (CSL).

Answer: <https://biology-forums.com/index.php?topic=787967>

Question 1045

All inventory between a given stage in the supply chain and the final customer is called the

- A) cycle inventory.
- B) demand inventory.
- C) echelon inventory.
- D) safety inventory.

Answer: <https://biology-forums.com/index.php?topic=788008>

Question 1046

What issues need to be considered when evaluating capability for design collaboration?

Answer: <https://biology-forums.com/index.php?topic=788250>

Question 1047

The goal when making the overbooking decision is to maximize supply chain profits by

- A) maximizing the value of wasted capacity and the cost of capacity shortage.
- B) maximizing supply chain profits.
- C) minimizing the cost of wasted capacity and the cost of capacity shortage.
- D) minimizing the cost of wasted capacity and minimizing capacity shortages.

Answer: <https://biology-forums.com/index.php?topic=788337>

Question 1048

The aggregate planner must make a trade-off between capacity, inventory, and backlog costs.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787643>

Question 1049

The facilities in a supply chain network must

- A) at least maximize total logistics cost.
- B) at least equal the number that maximizes total logistics cost.
- C) at least equal the number that minimizes total logistics cost.
- D) at least minimize total logistics cost.

Answer: <https://biology-forums.com/index.php?topic=787460>

Question 1050

Explain how the design of the distribution network affects the cost of the four supply chain drivers.

Answer: <https://biology-forums.com/index.php?topic=787404>

Question 1051

Spoilage occurs when the capacity reserved for higher price buyers is wasted because demand from the higher price segment does not materialize.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788260>

Question 1052

One of the characteristics of forecasts is

- A) aggregate forecasts are usually more accurate than disaggregate forecasts.
- B) disaggregate forecasts are usually more accurate than aggregate forecasts.
- C) short-term forecasts are usually less accurate than long-term forecasts.
- D) long-term forecasts are usually more accurate than short-term forecasts.

Answer: <https://biology-forums.com/index.php?topic=787589>

Question 1053

Pricing may influence demand if customers are price sensitive.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788254>

Question 1054

As capacity utilization increases, it becomes less important to perform aggregate planning.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787652>

Question 1055

The goal of any forecasting method is to

- A) predict the random component of demand and estimate the systematic component.
- B) predict the systematic component of demand and estimate the random component.
- C) predict the seasonal component of demand and estimate the random component.
- D) predict the random component of demand and estimate the seasonal component.

Answer: <https://biology-forums.com/index.php?topic=787601>

Question 1056

The bullwhip effect reduces the profitability of a supply chain by making it simpler to provide a given level of product availability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787795>

Question 1057

Geoff strolled into his local big box retailer in search of sunflower seeds for the flock of cardinals that graced his property during the cold winter. Much to his (and the cardinals') dismay, the shelf where the 50 pound bags of sunflower seeds were kept was bare. He pirouetted and left the store in disgust, empty-handed and fearing the wrath of an angry flock of cardinals when he returned home. This sad scenario illustrates

- A) safety inventory.
- B) cycle inventory.
- C) a markdown.
- D) a lost sale.

Answer: <https://biology-forums.com/index.php?topic=787279>

Question 1058

A cap and trade system can achieve price stability as long as

- A) a price floor is established.
- B) intertemporal banking of emission allowances is allowed.
- C) both a price floor and intertemporal banking of emissions allowances are allowed.
- D) both a price floor and a price ceiling are established.

Answer: <https://biology-forums.com/index.php?topic=788441>

Question 1059

The process by which companies acquire raw materials, components, products, services, and other resources from suppliers to execute their operations is

- A) procurement.
- B) sourcing.
- C) supplier scoring and assessment.
- D) supplier selection.

Answer: <https://biology-forums.com/index.php?topic=788196>

Question 1060

Capacity allocation decisions have a significant impact on supply chain performance because they tend to stay in place for several years.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787411>

Question 1061

Safety inventory is defined as inventory held to satisfy demand that is higher than forecasted.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787647>

Question 1062

Customer order receiving is

- A) the point in time when the customer has access to choices and makes a decision regarding a purchase.
- B) the customer informing the retailer of what they want to purchase and the retailer allocates product to the customer.
- C) the process where product is prepared and sent to the customer.

D) the process where the customer receives the product and takes ownership.

Answer: <https://biology-forums.com/index.php?topic=787157>

Question 1063

Much less success for sustainability initiatives has been driven by

- A) increased revenue for sustainability initiatives.
- B) customer demand.
- C) attracted customers who value sustainability.
- D) reduced risk and improving the financial performance of the supply chain.

Answer: <https://biology-forums.com/index.php?topic=788390>

Question 1064

Explain the measures of customer service that are influenced by the structure of the distribution network.

Answer: <https://biology-forums.com/index.php?topic=787403>

Question 1065

Situations in which the pricing policies for a product lead to an increase in variability of orders placed are referred to as

- A) incentive obstacles.
- B) information processing obstacles.
- C) operational obstacles.
- D) pricing obstacles.

Answer: <https://biology-forums.com/index.php?topic=787831>

Question 1066

There is a cost associated with postponement because the production cost using postponement is typically

- A) higher than the production cost without it.
- B) lower than the production cost without it.
- C) very stable.
- D) equal to the production cost without it.

Answer: <https://biology-forums.com/index.php?topic=788071>

Question 1067

Cycle inventory is inventory that is built up to counter predictable variability in demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787268>

Question 1068

In most instances of differential pricing, demand from the segment paying the lower price arises earlier in time than demand from the segment paying the higher price.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788259>

Question 1069

Network design decisions have a significant impact on performance because they determine the supply chain configuration and set constraints within which the other supply chain drivers can be used either to decrease supply chain cost or to increase responsiveness.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787415>

Question 1070

All costs that do not vary with the size of the order but are incurred each time an order is placed are referred to as

- A) the material cost and are denoted by C.
- B) the fixed ordering cost and are denoted by S.
- C) the holding cost and are denoted by H.
- D) the purchase price and are denoted by P.

Answer: <https://biology-forums.com/index.php?topic=787896>

Question 1071

Discuss the ideas that managers should consider to make better supply chain network design decisions under uncertainty.

Answer: <https://biology-forums.com/index.php?topic=787559>

Question 1072

What trade-offs do managers need to consider when making transportation decisions?

Answer: <https://biology-forums.com/index.php?topic=788172>

Question 1073

The pricing and promotion decisions are often made by

- A) marketing and sales.
- B) marketing and operations.
- C) operations and sales.
- D) marketing, operations, and sales.

Answer: <https://biology-forums.com/index.php?topic=787767>

Question 1074

The NPV (net present value) of a cash stream that is equal to \$75 per period for 5 periods with a rate of return of 15% per period would be

- A) \$261.37.
- B) \$289.12.
- C) \$312.74.
- D) \$322.44.

Answer: <https://biology-forums.com/index.php?topic=787530>

Question 1075

_____ measures the incremental costs that are independent of the size of the order.

- A) Average sale price
- B) Incremental variable cost per unit
- C) Incremental fixed cost per order
- D) Incremental indirect cost per order

Answer: <https://biology-forums.com/index.php?topic=787319>

Question 1076

If each Jerk Store location is acting independently, how many packets of seasoning should they stock?

- A) 2840
- B) 3069
- C) 3233
- D) 3678

Answer: <https://biology-forums.com/index.php?topic=788237>

Question 1077

The supply chain strategy category would include a decision about

- A) which items in the warehouse will be shipped to Malibu.
- B) which warehouse will supply the Surf City location.
- C) when the order should be shipped to the little old lady from Pasadena.
- D) how large the warehouse in Kokomo should be.

Answer: <https://biology-forums.com/index.php?topic=787143>

Question 1078

When all the different stages of a supply chain work toward the objective of maximizing total supply chain profitability, rather than each stage devoting itself to its own profitability without considering total supply chain profit, it is known as

- A) supply chain coordination.
- B) forecasting.
- C) aggregate planning.
- D) revenue management.

Answer: <https://biology-forums.com/index.php?topic=787304>

Question 1079

Most strategies that an aggregate planner actually uses are in combination, and are referred to as hybrid strategies.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787644>

Question 1080

Greater product variety and shorter life cycles result in shorter windows of opportunity for a supply chain to achieve fit.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787201>

Question 1081

The components needed to produce a computer clock cost twenty-five cents. What should the price of the computer clocks be in the first month of the selling season?

- A) \$5.68
- B) \$7.27
- C) \$10.13
- D) \$14.52

Answer: <https://biology-forums.com/index.php?topic=788344>

Question 1082

Compared to a business with many retail outlets, an online seller with aggregated inventories tends to have lower per unit transportation costs across the entire supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787349>

Question 1083

To retain strategic fit, supply chain strategy must be adjusted over the life cycle of a product and as the competitive landscape changes.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787193>

Question 1084

The _____ is the party that moves or transports the product.

- A) carrier
- B) producer
- C) shipper
- D) consumer

Answer: <https://biology-forums.com/index.php?topic=788127>

Question 1085

What is the impact of lack of coordination on the performance of the supply chain?

Answer: <https://biology-forums.com/index.php?topic=787861>

Question 1086

Capacity allocation decisions have a significant impact on supply chain performance because

- A) capacity decisions tend to be permanent.
- B) capacity decisions tend to be changed frequently.
- C) capacity decisions do not tend to stay in place for several years.
- D) capacity decisions tend to stay in place for several years.

Answer: <https://biology-forums.com/index.php?topic=787435>

Question 1087

Quantity flexibility contracts counter double marginalization by giving the retailer the ability to modify the order based on improved forecasts closer to the point of sale.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788192>

Question 1088

The goal of aggregate planning is to

- A) dissatisfy customers in a way that maximizes profit.
- B) dissatisfy customers in a way that minimizes profit.
- C) satisfy demand in a way that maximizes profit.
- D) satisfy demand in a way that minimizes profit.

Answer: <https://biology-forums.com/index.php?topic=787656>

Question 1089

The objective of the second phase of network design is to

- A) select a precise location and capacity allocation for each facility.
- B) select a set of desirable sites within each region where facilities are to be located.
- C) identify regions where facilities will be located, their potential roles, and their approximate capacity.
- D) specify what capabilities the supply chain network must have to support a firm's competitive strategy.

Answer: <https://biology-forums.com/index.php?topic=787470>

Question 1090

Given that forecasts are always wrong to some degree, the aggregate plan needs to have some flexibility built into it if it is to be useful.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787650>

Question 1091

A company's supply chain strategy

- A) defines the set of customer needs that it seeks to satisfy through its products and services.
- B) specifies the portfolio of new products that it will try to develop.
- C) specifies how the market will be segmented and how the product will be positioned, priced, and promoted.
- D) determines the nature of procurement and transportation of materials as well as manufacture and distribution of the product.

Answer: <https://biology-forums.com/index.php?topic=787212>

Question 1092

Surveys in sustainable farming have revealed that the typical consumer is willing to pay 25% more for sustainable fare.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788383>

Question 1093

Discuss the approaches that can be used to manage capacity to meet predictable variability of demand.

Answer: <https://biology-forums.com/index.php?topic=787784>

Question 1094

Raising the level of safety inventory increases product availability and thus the margin captured from customer purchases.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787942>

Question 1095

For any supply chain,

- A) management rests solely in the hands of the manufacturer.
- B) management rests solely in the hands of the distributor.
- C) if each member focuses on profitability, the overall supply chain profit will be maximized.
- D) there is only one source of revenue, the customer.

Answer: <https://biology-forums.com/index.php?topic=787136>

Question 1096

The measure of forecast error where the average absolute error of each forecast is shown as a percentage of demand is

- A) mean squared error (MSE).
- B) mean absolute percentage error (MAPE).

- C) bias.
- D) the tracking signal.

Answer: <https://biology-forums.com/index.php?topic=787620>

Question 1097

What is the cost of the inventory policy (excluding cost of goods) if the diner orders at the economic order quantity?

- A) \$53.40
- B) \$106.80
- C) \$26.70
- D) \$80.10

Answer: <https://biology-forums.com/index.php?topic=787903>

Question 1098

For a company to achieve strategic fit, it must accomplish the following keys:

- A) All functional strategies must fit together to form a coordinated overall strategy.
- B) The different functions in a company must appropriately structure their processes and resources to be able to execute these strategies successfully
- C) The overall supply chain must operate at the lowest cost possible to achieve success.
- D) The design of the overall supply chain and the role of each stage must be aligned to support the supply chain strategy.

Answer: <https://biology-forums.com/index.php?topic=787238>

Question 1099

The margin lost from current as well as future sales if the customer does not return should be included in

- A) the cost of overstocking the product.
- B) the cost of stocking the product.
- C) the cost of understocking the product.
- D) the cost of overselling the product.

Answer: <https://biology-forums.com/index.php?topic=788052>

Question 1100

A contract that is used to induce performance improvement from a supplier along dimensions, such as lead time, where the benefit of improvement accrues primarily to the buyer, whereas the effort for improvement comes primarily from the supplier is a

- A) buyback or returns contract.
- B) revenue-sharing contract.
- C) quantity flexibility contract.
- D) shared savings contract.

Answer: <https://biology-forums.com/index.php?topic=788233>

Question 1101

Explain how differential pricing can benefit a firm.

Answer: <https://biology-forums.com/index.php?topic=788364>

Question 1102

Suppose the annual demand is 8,000 units and the cost per can is \$3 with a holding cost of 10%. What is the required order cost per lot?

- A) 32 cents
- B) \$3.20
- C) \$32
- D) \$1.44

Answer: <https://biology-forums.com/index.php?topic=787908>

Question 1103

_____ is the practice whereby a firm charges differential prices to maximize profits.

- A) Optimal lot sizing
- B) Fixed pricing
- C) Nonperishable pricing
- D) Price discrimination

Answer: <https://biology-forums.com/index.php?topic=787922>

Question 1104

There is a close connection between the design and management of supply chain flows and the success of a supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787124>

Question 1105

The strategy where the production rate is synchronized with the demand rate by varying machine capacity or hiring and laying off employees as the demand rate varies is the

- A) adjustable strategy.
- B) chase strategy.
- C) level strategy.
- D) mixed strategy.

Answer: <https://biology-forums.com/index.php?topic=787671>

Question 1106

Which distribution network design is being used when inventory is not held by manufacturers at the factories, but is held by distributors/retailers in intermediate warehouses and package carriers are used to transport products from the intermediate location to the final customer?

- A) Manufacturer storage with direct shipping
- B) Manufacturer storage with direct shipping and in-transit merge
- C) Distributor storage with package carrier delivery
- D) Distributor storage with manufacturer pickup

Answer: <https://biology-forums.com/index.php?topic=787376>

Question 1107

A firm is often better served by ordering a convenient lot size close to the economic order quantity rather than the precise EOQ.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787873>

Question 1108

If quick response allows multiple orders in the season,

- A) profits decrease and the overstock quantity decreases.
- B) profits decrease and the overstock quantity increases.
- C) profits increase and the overstock quantity decreases.
- D) profits increase and the overstock quantity increases.

Answer: <https://biology-forums.com/index.php?topic=788068>

Question 1109

Decisions made during the supply chain design phase regarding significant investments in the supply chain, such as the number and size of plants to build, the number of trucks to purchase or lease, and whether to build or lease warehouse space,

- A) define the boundaries within which the supply chain must compete.
- B) have little impact on how the supply chain must compete.
- C) are irrelevant regarding how the supply chain will compete.
- D) are the only consideration regarding how the supply chain will compete.

Answer: <https://biology-forums.com/index.php?topic=787507>

Question 1110

The lack of information sharing between the retailer and manufacturer leads to a large fluctuation in manufacturer orders.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787799>

Question 1111

A reduction of lot sizes increases the amount of fluctuation that can accumulate between any pair of stages of a supply chain, thus increasing the bullwhip effect.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787806>

Question 1112

What is the largest value for the tracking signal (either under or overforecasting) if the forecasts for periods 1-10 are in order, 176.6, 174.2, 176.1, 178.7, 160.4, 165.4, 177.7, 191.1, 191.0, and 175.2?

- A) 1.86
- B) -2.07
- C) 2.58
- D) 3.24

Answer: <https://biology-forums.com/index.php?topic=787627>

Question 1113

Which mode of transportation is the most expensive?

- A) Air
- B) Truck
- C) Rail
- D) Water

Answer: <https://biology-forums.com/index.php?topic=788132>

Question 1114

Pricing decisions based only on revenue considerations often result in

- A) a decrease in overall profitability.
- B) an increase in overall profitability.
- C) a decrease in overall revenue.
- D) a decrease in supply chain revenue.

Answer: <https://biology-forums.com/index.php?topic=787769>

Question 1115

Distribution occurs between every pair of stages in the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787330>

Question 1116

The objective of every supply chain is to

- A) minimize the overall cost generated.
- B) maximize the overall value generated.
- C) minimize the cost to the manufacturer.
- D) maximize the profit of the manufacturer.

Answer: <https://biology-forums.com/index.php?topic=787134>

Question 1117

Effective differential pricing over time will generally increase the level of product availability for the consumer willing to pay full price, but will decrease total profits for the retailer.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788294>

Question 1118

The procurement cycle occurs at the

- A) customer/retailer interface.
- B) retailer/distributor interface.
- C) distributor/manufacturer interface.
- D) manufacturer/supplier interface.

Answer: <https://biology-forums.com/index.php?topic=787164>

Question 1119

Building some over-capacity in the supply chain network and making the capacity flexible allows a firm to alter production flows within the supply chain to

- A) produce less in facilities that have a lower cost based on current exchange rates.

- B) produce more in facilities that have a lower cost based on current exchange rates.
C) produce more in facilities that have a higher cost based on current exchange rates.
D) produce less in facilities that have the same cost based on current exchange rates.

Answer: <https://biology-forums.com/index.php?topic=787458>

Question 1120

Which component of the supply chain decision-making framework would be established first?

- A) Customer strategy
B) Supply chain strategy
C) Supply chain structure
D) Competitive strategy

Answer: <https://biology-forums.com/index.php?topic=787286>

Question 1121

One key to successful collaboration when the supply chain is performing aggregate planning is

- A) determining how losses will be allocated to different members of the supply chain.
B) determining how profits will be allocated to different members of the supply chain.
C) determining how labor will be allocated to different members of the supply chain.
D) determining how customers will be allocated to different members of the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787771>

Question 1122

Problems in learning within organizations that contribute to the bullwhip effect are referred to as

- A) incentive obstacles.
B) information processing obstacles.
C) pricing obstacles.
D) behavioral obstacles.

Answer: <https://biology-forums.com/index.php?topic=787833>

Question 1123

Investment decisions regarding the transportation infrastructure (rails, locomotives, trucks, airplanes, etc.) are the primary concern of

- A) the shipper.
B) the supplier.
C) the manufacturer.
D) the carrier.

Answer: <https://biology-forums.com/index.php?topic=788124>

Question 1124

Once a local donkey herder learns of the cruise line's plan, he lowers his donkey rental price to \$17.50 per tourist. How many donkeys should be in the cruise line's herd?

- A) 7,264
B) 7,005
C) 6,711
D) 6,370

Answer: <https://biology-forums.com/index.php?topic=788355>

Question 1125

The relationship where increasing implied uncertainty from customers and supply sources is best served by increasing responsiveness from the supply chain is known as the

- A) implied uncertainty spectrum.
B) responsiveness spectrum.
C) uncertainty/responsiveness map.
D) zone of strategic fit.

Answer: <https://biology-forums.com/index.php?topic=787233>

Question 1126

Outbound transportation costs per unit tend to be lower than inbound costs, because inbound lot sizes are typically larger.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787333>

Question 1127

Situations where incentives offered to different stages or participants in a supply chain lead to actions that increase variability and reduce total supply chain profits are referred to as

- A) incentive obstacles.
- B) information processing obstacles.
- C) operational obstacles.
- D) behavioral obstacles.

Answer: <https://biology-forums.com/index.php?topic=787819>

Question 1128

A carrier's decisions are affected by the prices that the market will bear, but not the responsiveness it seeks to provide its target segment.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788106>

Question 1129

In the context of greenhouse gas emission, direct emissions

- A) are controlled by the reporting entity.
- B) are created through waste disposal.
- C) come from utility-based services.
- D) come from employee-based travel.

Answer: <https://biology-forums.com/index.php?topic=788404>

Question 1130

A company's competitive strategy defines the set of customer needs that it seeks to satisfy through its products and services.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787184>

Question 1131

As the number of facilities in a supply chain increases, total facility costs

- A) decrease.
- B) increase.
- C) increase to a point and then decrease.
- D) decrease to a point and then increase.

Answer: <https://biology-forums.com/index.php?topic=787367>

Question 1132

Discuss key issues to be considered when implementing aggregate planning.

Answer: <https://biology-forums.com/index.php?topic=787710>

Question 1133

The mixed form of the systematic component of demand is shown as

- A) level \times trend \times seasonal factor.
- B) level + trend + seasonal factor.
- C) (level + trend) \times seasonal factor.
- D) level \times (trend + seasonal factor).

Answer: <https://biology-forums.com/index.php?topic=787607>

Question 1134

A graphical plot depicting the level of inventory over time is

- A) an inventory graph.
- B) a distribution inventory.
- C) an inventory drawing.
- D) an inventory profile.

Answer: <https://biology-forums.com/index.php?topic=787889>

Question 1135

One of the characteristics of forecasts is

- A) aggregate forecasts are usually less accurate than disaggregate forecasts.
- B) disaggregate forecasts are usually more accurate than aggregate forecasts.
- C) short-term forecasts are usually less accurate than long-term forecasts.
- D) long-term forecasts are usually less accurate than short-term forecasts.

Answer: <https://biology-forums.com/index.php?topic=787588>

Question 1136

Pricing obstacles refer to situations in which the pricing policies for a product lead to an increase in variability of orders placed.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787800>

Question 1137

Sketch the generic value chain for a company and briefly describe the contributions of each of its elements.

Answer: <https://biology-forums.com/index.php?topic=787254>

Question 1138

The forecast error measures the difference between the forecast and the estimate.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787572>

Question 1139

_____ has always worked hard to design products that can be shipped flat to achieve high volume and weight density during transportation. As a result, the company not only lowers its transportation costs, it also reduces emissions and energy use.

- A) Walmart
- B) IKEA
- C) 3M
- D) Procter & Gamble

Answer: <https://biology-forums.com/index.php?topic=788418>

Question 1140

A shrewd supply chain manager would aggregate only safety inventory and use an inexpensive mode of transportation for replenishing cycle inventory if she is dealing with a

- A) high-value product and high demand.
- B) high-value product and low demand.
- C) low-value product and high demand.
- D) low-value product and low demand.

Answer: <https://biology-forums.com/index.php?topic=788161>

Question 1141

Supplier viability can be especially important if the supplier is providing mission-critical products and it would be easy to find a replacement for them.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788186>

Question 1142

Globalization has increased the opportunities and decreased the risks for supply chains.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787202>

Question 1143

In this approach to managing capacity, a firm uses a temporary workforce during the peak season to increase capacity to match demand.

- A) Time flexibility from workforce
- B) Use of subcontracting
- C) Use of dual facilities—specialized and flexible

D) Use of seasonal workforce

Answer: <https://biology-forums.com/index.php?topic=787745>

Question 1144

What rate of return results in a present value of \$23 for \$25 received one year from now?

- A) 7.8%
- B) 8.1%
- C) 8.4%
- D) 8.7%

Answer: <https://biology-forums.com/index.php?topic=787527>

Question 1145

Supply chains can influence demand by using

- A) production capacity and inventory.
- B) pricing and other promotions.
- C) price promotions and inventory.
- D) production capacity and inventory promotions.

Answer: <https://biology-forums.com/index.php?topic=787766>

Question 1146

Simulation methods are very good at evaluating decisions when

- A) the paths are decision dependent.
- B) the decision rules are simple.
- C) there are different forms of uncertainty.
- D) implicit solutions are needed for analysis.

Answer: <https://biology-forums.com/index.php?topic=787551>

Question 1147

Serving a low density of customers at a long distance is best done using

- A) an LTL carrier.
- B) a cross dock distribution center with milk runs.
- C) a package carrier.
- D) a private fleet with milk runs.

Answer: <https://biology-forums.com/index.php?topic=788156>

Question 1148

Which approach to capacity management would only be effective if the overall demand across all the products is relatively constant?

- A) Use of seasonal workforce
- B) Use of subcontracting
- C) Use of dual facilities—dedicated and flexible
- D) Designing product flexibility into the production processes

Answer: <https://biology-forums.com/index.php?topic=787763>

Question 1149

Offshoring to low-cost countries is most attractive for products with

- A) large production volume.
- B) high variety.
- C) low labor content.
- D) a high ratio of transportation cost to product value.

Answer: <https://biology-forums.com/index.php?topic=787515>

Question 1150

The _____ is the party that requires the movement of the product between two points in the supply chain.

- A) carrier
- B) producer
- C) shipper
- D) consumer

Answer: <https://biology-forums.com/index.php?topic=788126>

Question 1151

Offering a promotion during a peak period that has significant forward buying

- A) creates a desirable demand pattern.
- B) creates a demand pattern less costly to serve.
- C) creates a demand pattern even more costly to serve.
- D) shifts demand from the peak period to the slow period.

Answer: <https://biology-forums.com/index.php?topic=787776>

Question 1152

As capacity utilization increases,

- A) it becomes less important to perform aggregate planning.
- B) it becomes more important to perform aggregate planning.
- C) it does not affect the importance of performing aggregate planning.
- D) it lessens the importance of aggregate planning.

Answer: <https://biology-forums.com/index.php?topic=787704>

Question 1153

The polluter pays principle dictates that

- A) recycling efforts are best aimed at the designer of the product.
- B) the entity causing the pollution must bear the cost to society.
- C) the recycler should receive compensation from the end user of the product.
- D) the recycler should receive compensation from the designer of the product.

Answer: <https://biology-forums.com/index.php?topic=788427>

Question 1154

_____ is a cost factor performance characteristic of Retail Storage at Consumer Pickup Sites that is higher than all other options.

- A) Transportation
- B) Inventory
- C) Information
- D) Facilities and Handling

Answer: <https://biology-forums.com/index.php?topic=787390>

Question 1155

Warehouse unit storage is the warehousing methodology that uses a traditional warehouse to store all of one type of product together.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787266>

Question 1156

The fundamental trade-offs available to an aggregate planner are between

- A) capability, inventory, and backlog costs.
- B) capability, inventory, and sales costs.
- C) capacity, inventory, and backlog costs.
- D) capacity, inventory, and sales costs.

Answer: <https://biology-forums.com/index.php?topic=787670>

Question 1157

If garbage collection services were billed based on the weight of refuse collected, most people would find a way to discard less and recycle more.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788386>

Question 1158

How frequently should the aggregate plan be rerun?

- A) Weekly
- B) Monthly
- C) Every 3 to 8 months

D) As inputs to the aggregate plan change

Answer: <https://biology-forums.com/index.php?topic=787703>

Question 1159

To differentiate between the various market segments, the firm must

- A) create barriers by identifying product or service attributes that the segments value differently.
- B) eliminate barriers that identify product or service attributes that the segments value differently.
- C) negotiate separately with different market segments that value product or service attributes differently.
- D) develop pricing structures based on the volume of various product or service attributes.

Answer: <https://biology-forums.com/index.php?topic=788288>

Question 1160

Replenishment orders in multi-echelon supply chains should be

- A) synchronized to increase cycle inventory and order costs.
- B) synchronized to facilitate supplier evaluation and selection.
- C) synchronized to keep cycle inventory and order costs low.
- D) separated to increase cycle inventory and order costs.

Answer: <https://biology-forums.com/index.php?topic=787930>

Question 1161

Customers substituting the firm's product for a competitor's product is

- A) market growth.
- B) stealing share.
- C) forward selling.
- D) forward buying.

Answer: <https://biology-forums.com/index.php?topic=787773>

Question 1162

Long-term forecasts are usually less accurate than short-term forecasts because

- A) short-term forecasts have a larger standard deviation of error relative to the mean than long-term forecasts.
- B) short-term forecasts have more standard deviation of error relative to the mean than long-term forecasts.
- C) long-term forecasts have a smaller standard deviation of error relative to the mean than short-term forecasts.
- D) long-term forecasts have a larger standard deviation of error relative to the mean than short-term forecasts.

Answer: <https://biology-forums.com/index.php?topic=787591>

Question 1163

Drought conditions spike demand during the summer to an annualized rate of 27,000 cans per year and the price rises to \$12 per can with a holding cost of 20%. What is the required order cost per lot?

- A) 9.2 cents
- B) 92 cents
- C) \$9.20
- D) \$92.00

Answer: <https://biology-forums.com/index.php?topic=787909>

Question 1164

Decisions concerning the role of each facility are significant because they determine the amount of rigidity the supply chain has in changing the way it meets demand.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787409>

Question 1165

The profitability of a supply chain is impacted primarily by the

- A) design, planning and operation categories of decisions.
- B) operation category of decisions.
- C) design and planning categories of decisions.
- D) planning and operation categories of decisions.

Answer: <https://biology-forums.com/index.php?topic=787144>

Question 1166

The goal of procurement is to enable orders to be placed and delivered on schedule at the lowest possible price.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788179>

Question 1167

Carrying excessive inventory can help counter demand volatility when new products come on the market.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787943>

Question 1168

The costs of overstocking and understocking have a direct impact on

- A) the optimal cycle service level but not profitability.
- B) profitability but not the optimal cycle service level.
- C) both the optimal cycle service level and profitability.
- D) neither the optimal cycle service level nor profitability.

Answer: <https://biology-forums.com/index.php?topic=788059>

Question 1169

A firm can vary supply of product by controlling production capacity and inventory.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787715>

Question 1170

A facility located primarily to obtain access to knowledge or skills that may exist within a certain region is

- A) an offshore facility.
- B) a source facility.
- C) a server facility.
- D) an outpost facility.

Answer: <https://biology-forums.com/index.php?topic=787449>

Question 1171

Mature products with stable demand

- A) are usually easiest to forecast.
- B) are usually hardest to forecast.
- C) cannot be forecast.
- D) do not need to be forecast.

Answer: <https://biology-forums.com/index.php?topic=787586>

Question 1172

Which factor favors promotion during low-demand periods?

- A) High forward buying
- B) High ability to steal market share
- C) High ability to increase overall market
- D) High margin

Answer: <https://biology-forums.com/index.php?topic=787780>

Question 1173

What information does a master production schedule provide that an aggregate plan does not?

- A) Expense information for the planning period
- B) Revenue information for the planning period
- C) Specific product family production information
- D) A specific machine schedule for each order

Answer: <https://biology-forums.com/index.php?topic=787695>

Question 1174

If a country has very high tariffs

- A) companies either do not serve the local market or set up manufacturing plants within the country to save on duties.
- B) companies do not serve the local market.
- C) companies set up manufacturing plants within the country to save on duties.
- D) companies will not serve the local market or set up manufacturing plants within the country to save on duties.

Answer: <https://biology-forums.com/index.php?topic=787456>

Question 1175

How can firms address the problem of perishable assets?

Answer: <https://biology-forums.com/index.php?topic=788366>

Question 1176

One of the best ways to solve coordination problems is

- A) through teams comprised of different members of the supply chain.
- B) through investments in cutting edge information technology.
- C) by institution penalties for supply chain members that don't cooperate.
- D) by implementing a supply chain resource planning module.

Answer: <https://biology-forums.com/index.php?topic=787857>

Question 1177

The lack of coordination within a supply chain will result in an increase in

- A) profitability.
- B) inventory accuracy.
- C) replenishment lead time.
- D) level of product availability.

Answer: <https://biology-forums.com/index.php?topic=787813>

Question 1178

The decision to move a production facility outside of domestic boundaries and still maintain ownership is called

- A) insourcing.
- B) outsourcing.
- C) offshoring.
- D) onshoring.

Answer: <https://biology-forums.com/index.php?topic=788205>

Question 1179

What is the optimal batch size to produce?

- A) 8.36 loaves
- B) 1.8 loaves
- C) 5.56 slices
- D) 8.36 slices

Answer: <https://biology-forums.com/index.php?topic=787912>

Question 1180

Distributors add value to a supply chain between a supply stage and a customer stage if there are many small players at the customer stage, each requiring a small amount of the product at a time.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787343>

Question 1181

Explain the role of each of the major drivers of supply chain performance in the competitive strategy.

Answer: <https://biology-forums.com/index.php?topic=787329>

Question 1182

The Pay as You Throw (PAYT) model is designed to

- A) increase recycling.
- B) decrease throwing.
- C) increase consumption.
- D) decrease consumption.

Answer: <https://biology-forums.com/index.php?topic=788430>

Question 1183

Production can utilize forecasts to make decisions concerning

- A) scheduling.
- B) sales-force allocation.
- C) promotions.
- D) budgetary planning.

Answer: <https://biology-forums.com/index.php?topic=787584>

Question 1184

In a complex decision tree, there are thousands of possible paths that may result from the first period to the last.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787500>

Question 1185

Information is potentially the biggest driver of performance in the supply chain as it directly affects each of the other drivers.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787262>

Question 1186

In a VMI system, the _____ must share demand information with the _____.

- A) manufacturer, customer
- B) customer, retailer
- C) retailer, manufacturer
- D) manufacturer, designer

Answer: <https://biology-forums.com/index.php?topic=787846>

Question 1187

Most supply chain design innovations that lower transportation costs paradoxically tend to increase fuel consumption and emissions.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788380>

Question 1188

Which of these services facilitates the function of the value chain but is not considered a core element of the supply chain?

- A) Marketing
- B) Information Technology
- C) Distribution
- D) Service

Answer: <https://biology-forums.com/index.php?topic=787209>

Question 1189

Quick response results in the manufacturer making a lower profit in the short term if all else is unchanged.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788034>

Question 1190

What are some opportunities for improved sustainability in various supply chain drivers?

Answer: <https://biology-forums.com/index.php?topic=788446>

Question 1191

In the context of greenhouse gas emission, the GHG protocol initiative defines levels of scope. This level refers to the inclusion of other indirect emissions coming from sources such as the production of purchased materials, outsourced activities, contractor owned vehicles, waste disposal, and employee business travel.

- A) Scope 1
- B) Scope 2
- C) Scope 3
- D) Scope 4

Answer: <https://biology-forums.com/index.php?topic=788402>

Question 1192

Suppose that a highway is governed by a use fee charged to motorists that is based on congestion, operation and maintenance. The total traffic t is used to determine the cost of $5t^2$. What is the average cost per motorist?

- A) 2.5
- B) 5
- C) $5t$
- D) $2.5t$

Answer: <https://biology-forums.com/index.php?topic=788137>

Question 1193

Which of the following specifies the portfolio of new products that a company will try to develop?

- A) Competitive strategy
- B) Product development strategy
- C) Marketing and sales strategy
- D) Supply chain strategy

Answer: <https://biology-forums.com/index.php?topic=787218>

Question 1194

The level of product availability

- A) is also referred to as the customer service level.
- B) is an important component of any supply chain's responsiveness.
- C) increases revenues for the supply chain by increasing sales.
- D) Only A and B are true.

Answer: <https://biology-forums.com/index.php?topic=788042>

Question 1195

The use of a seasonal workforce requires that the workforce be multi-skilled and easily adapt to being moved from line to line.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787722>

Question 1196

Explain how revenue management is beneficial.

Answer: <https://biology-forums.com/index.php?topic=788363>

Question 1197

The places in the supply chain network where product is stored, assembled, or fabricated are known as

- A) facilities.
- B) inventory.
- C) transportation.
- D) information.

Answer: <https://biology-forums.com/index.php?topic=787281>

Question 1198

In general, online sales outperform traditional brick and mortar retail sales along the dimension of

- A) order fulfillment.
- B) trying before you buy.
- C) product returns.
- D) order status tracking.

Answer: <https://biology-forums.com/index.php?topic=787396>

Question 1199

Improperly structured sales force incentives

- A) help create stable demand.
- B) have very little effect on the timing of customer orders.
- C) tend to create spikes in customer orders.
- D) ensure that orders are quickly and accurately entered and communicated to other affected supply chain processes.

Answer: <https://biology-forums.com/index.php?topic=787824>

Question 1200

Wasted capacity (or inventory) occurs when

- A) there are excessive cancellations.
- B) there are few cancellations.
- C) an expensive backup needs to be arranged.
- D) all of the above

Answer: <https://biology-forums.com/index.php?topic=788333>

Question 1201

Customer order fulfillment refers to

- A) the point in time when the customer has access to choices and makes a decision regarding a purchase.
- B) the customer informing the retailer of what they want to purchase and the retailer allocating product to the customer.
- C) the process where product is prepared and sent to the customer.
- D) the process where the customer receives the product and takes ownership.

Answer: <https://biology-forums.com/index.php?topic=787155>

Question 1202

Lot size based quantity discounts reduce the bullwhip effect within the supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787801>

Question 1203

The components needed to produce a computer clock cost twenty-five cents. What is the expected profit if the AITP club sponsor produces the optimal number of clocks?

- A) \$263.72
- B) \$262.54
- C) \$260.97
- D) \$269.41

Answer: <https://biology-forums.com/index.php?topic=788347>

Question 1204

Summarize the steps in the decision tree analysis methodology.

Answer: <https://biology-forums.com/index.php?topic=787558>

Question 1205

Predictable variability is

- A) change in demand that can be forecasted.
- B) change in demand that cannot be forecasted.
- C) change in demand that has been planned.
- D) change in demand that has been scheduled.

Answer: <https://biology-forums.com/index.php?topic=787731>

Question 1206

Describe the two types of ordering policies and the impact each has on safety inventory.

Answer: <https://biology-forums.com/index.php?topic=788015>

Question 1207

An third party can increase the supply chain surplus if it has a lower collection cost than the firm. This is called

- A) receivables aggregation.
- B) procurement aggregation.
- C) information aggregation.
- D) relationship aggregation.

Answer: <https://biology-forums.com/index.php?topic=788210>

Question 1208

Quite often in a VMI system, the inventory is

- A) owned by the retailer before it is shipped by the supplier.
- B) owned by the supplier until it is sold by the retailer.
- C) sold by the supplier before it is owned by the retailer.
- D) sold by the retailer before it is shipped by the supplier.

Answer: <https://biology-forums.com/index.php?topic=787845>

Question 1209

Managers making facility location decisions should carefully consider tariffs and tax incentives, because

- A) network designers can use this fact to influence the role of the new facility and the focus of people working there.
- B) facilities last a long time and have an enduring impact on a firm's performance.
- C) it is astounding how often tax incentives drive the choice of location.
- D) the location of a facility has a significant impact on the extent and form of communication that develops in the supply chain network.

Answer: <https://biology-forums.com/index.php?topic=787479>

Question 1210

A dabba uses the Mumbai railway system to carry about 40 lunches each day.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788115>

Question 1211

When demand is steady, cycle inventory and lot size are related as

- A) Cycle Inventory = Lot Size \times 2.
- B) Cycle Inventory = Q^2 .
- C) Cycle Inventory = $Q/2$.
- D) Cycle Inventory = Lot Size = Q .

Answer: <https://biology-forums.com/index.php?topic=787890>

Question 1212

The uncertainty of customer demand for a product is the

- A) rate of strategic uncertainty.
- B) demand uncertainty.
- C) implied demand uncertainty.
- D) average forecast error.

Answer: <https://biology-forums.com/index.php?topic=787220>

Question 1213

Craigslist and eBay are examples of

- A) receivables aggregation.
- B) inventory aggregation.
- C) information aggregation.
- D) relationship aggregation.

Answer: <https://biology-forums.com/index.php?topic=788212>

Question 1214

Discuss the role of sustainability supply chains.

Answer: <https://biology-forums.com/index.php?topic=788442>

Question 1215

To differentiate between the various market segments, the firm must either eliminate barriers that identify product or service attributes the segments value differently.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788258>

Question 1216

A company's ability to find a balance between responsiveness and efficiency that best matches the needs of the customer it is targeting is the key to achieving strategic fit.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787272>

Question 1217

Which of the following is a technology that shares and analyzes information in the supply chain?

- A) Internet
- B) Enterprise Data Planning (EDP)
- C) Electronic Resource Interchange (ERI)
- D) Chain Management (CM) software

Answer: <https://biology-forums.com/index.php?topic=787309>

Question 1218

The strategy where a stable machine capacity and workforce are maintained with a constant output rate, with inventory levels fluctuating over time, is the

- A) adjustable strategy.
- B) chase strategy.
- C) level strategy.
- D) mixed strategy.

Answer: <https://biology-forums.com/index.php?topic=787673>

Question 1219

Aggregate planning is a process by which a company determines levels of capacity, production, subcontracting, inventory, stockouts, and even pricing over a specified time horizon.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787636>

Question 1220

Use the information from Scenario 6.1 to determine the cost of the best alternative for a two year period.

- A) \$2,000,000
- B) \$1,200,000
- C) \$2,205,000
- D) \$2,810,000

Answer: <https://biology-forums.com/index.php?topic=787545>

Question 1221

Short-term production serves as a broad blueprint for operations and establishes the parameters within which aggregate planning decisions are made.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787638>

Question 1222

Incentives that focus only on the local impact of an action result in decisions that

- A) do not maximize total supply chain profits.
- B) maximize total supply chain profits.
- C) minimize total supply chain profits.
- D) minimize total supply chain cost.

Answer: <https://biology-forums.com/index.php?topic=787820>

Question 1223

Total logistics costs for a supply chain network are a sum of

- A) inventory and facility costs.
- B) inventory, facility, and distributor costs.
- C) facility, transportation, and distributor costs.
- D) inventory, transportation, and facility costs.

Answer: <https://biology-forums.com/index.php?topic=787368>

Question 1224

The capacity management approach where a firm has production lines whose production rate can easily be varied to match demand is

- A) time flexibility from workforce.
- B) the use of seasonal workforce.
- C) the use of subcontracting.
- D) designing product flexibility into the production processes.

Answer: <https://biology-forums.com/index.php?topic=787754>

Question 1225

Pricing decisions based only on revenue considerations often result in an increase in overall profitability.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787723>

Question 1226

A shortage occurs in a replenishment cycle

- A) only if the demand during the lead time exceeds the ROP.
- B) only if the demand during the lead time is less than the ROP.
- C) only if the demand during the lead time exceeds the average demand.
- D) only if the demand during the lead time is less than the average demand.

Answer: <https://biology-forums.com/index.php?topic=787991>

Question 1227

The process of evaluating the present value of any stream of future cash flows so that management can compare two streams of cash flows in terms of their financial value is

- A) annual cash flow (ACF) analysis.
- B) discretionary cash flow (DCF) analysis.
- C) discounted cash flow (DCF) analysis.
- D) future cash flow (FCF) analysis.

Answer: <https://biology-forums.com/index.php?topic=787520>

Question 1228

Among the sources of risk identified in global supply chains, the lowest among these four is

- A) shortage of skilled resources.
- B) currency fluctuation.
- C) inflexible supply chain technology.
- D) terrorist infiltration of cargo.

Answer: <https://biology-forums.com/index.php?topic=787509>

Question 1229

The probability of having a product in stock when a customer order arrives is

- A) response time.
- B) product variety.
- C) product availability.
- D) customer experience.

Answer: <https://biology-forums.com/index.php?topic=787359>

Question 1230

A facility that also has low cost as its primary objective, but its strategic role is broader than that of an offshore facility is

- A) an offshore facility.
- B) a source facility.
- C) a contributor facility.
- D) an outpost facility.

Answer: <https://biology-forums.com/index.php?topic=787447>

Question 1231

A goal of any supply chain manager is to

- A) increase the level of safety inventory required in a way that does not adversely affect product availability.
- B) increase the level of safety inventory required regardless of the effect on product availability.
- C) reduce the level of safety inventory required regardless of the effect on product availability.
- D) reduce the level of safety inventory required in a way that does not adversely affect product availability.

Answer: <https://biology-forums.com/index.php?topic=787975>

Question 1232

The full benefit of coordination is achieved when

- A) all adjacent pairs of supply chain partners are coordinated.
- B) the entire supply chain network is coordinated.
- C) the POS data is shared with the manufacturer.
- D) the POS data is shared with the retailer.

Answer: <https://biology-forums.com/index.php?topic=787858>

Question 1233

Customers moving up future purchases to the present is

- A) market growth.
- B) stealing share.
- C) forward selling.
- D) forward buying.

Answer: <https://biology-forums.com/index.php?topic=787774>

Question 1234

When most of the products a firm produces have the same peak demand season, in order to meet predictable variability with inventory, it must

- A) use common components across multiple products.
- B) use a seasonal workforce.
- C) build inventory of high demand or predictable demand products.
- D) use subcontracting.

Answer: <https://biology-forums.com/index.php?topic=787765>

Question 1235

Which of these statements about Scenario 8.1 is evident without even developing an aggregate plan?

- A) Some overtime will be needed.
- B) Ending inventory must be negative.
- C) Overtime must exceed subcontracting.
- D) Subcontracting must exceed regular time output.

Answer: <https://biology-forums.com/index.php?topic=787682>

Question 1236

When designing a sourcing strategy, it is important for a firm to

- A) develop a process that will procure materials at the lowest possible cost.
- B) maintain a record of all contracts, receipts, issues and other transactions in the event of lawsuits.
- C) maximize the profitability of the distributors within the supply chain.
- D) be clear on the factors that have the greatest influence on performance and target improvement on those areas.

Answer: <https://biology-forums.com/index.php?topic=788201>

Question 1237

Explain the relationship between product availability and supply chain profitability.

Answer: <https://biology-forums.com/index.php?topic=788092>

Question 1238

The manufacturing cycle occurs at the

- A) customer/retailer interface.
- B) retailer/distributor interface.
- C) distributor/manufacturer interface.
- D) manufacturer/supplier interface.

Answer: <https://biology-forums.com/index.php?topic=787160>

Question 1239

Effective sourcing processes within a firm can

- A) improve profits for the firm and total supply chain surplus.
- B) reduce profits for the firm and total supply chain surplus.
- C) reduce total supply chain surplus.
- D) reduce profits for the firm.

Answer: <https://biology-forums.com/index.php?topic=788200>

Question 1240

The disadvantage of maintaining enough manufacturing capacity to meet demand in any period is

- A) much of the expensive capacity would go unused during most months when demand was lower.
- B) the expensive capacity would be used consistently throughout the year.
- C) most of the expensive capacity would still be used during most months when demand was lower.
- D) very low inventory costs because no inventory needs to be carried from period to period.

Answer: <https://biology-forums.com/index.php?topic=787735>

Question 1241

The amount reserved for the spot market should be

- A) such that the expected marginal revenue from the spot market equals the current revenue from a bulk sale.
- B) such that the expected marginal revenue from the spot market exceeds the current revenue from a bulk sale.
- C) such that the expected marginal revenue from the spot market is less than the current revenue from a bulk sale.
- D) equal to the maximum revenue available from the spot.

Answer: <https://biology-forums.com/index.php?topic=788352>

Question 1242

What safety stock should be held to put the expected shortage per cycle at 5 phones?

- A) 418 phones
- B) 433 phones
- C) 462 phones
- D) 487 phones

Answer: <https://biology-forums.com/index.php?topic=787987>

Question 1243

Monolithic Lumber has purchased timber from Bunyan Axe, the same wholly-owned subsidiary, for the last two centuries and plans to do so for another two centuries. It is crucial that Monolithic continue to demonstrate an agile company scope.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787200>

Question 1244

A _____ strategy specifies how the market will be segmented and how the product will be positioned, priced, and promoted.

- A) Product Development
- B) Marketing and Sales
- C) Supply Chain
- D) Finance

Answer: <https://biology-forums.com/index.php?topic=787215>

Question 1245

Discuss the importance of collaboration within a supply chain when performing aggregate planning.

Answer: <https://biology-forums.com/index.php?topic=787786>

Question 1246

The key to which capacity management approach would involve having both volume (fluctuating demand from a manufacturer) and variety flexibility (demand from several manufacturers) to be sustainable?

- A) Time flexibility from workforce
- B) Use of seasonal workforce
- C) Use of subcontracting
- D) Use of dual facilities—dedicated and flexible

Answer: <https://biology-forums.com/index.php?topic=787760>

Question 1247

The allocation of supply sources and markets to facilities should be reconsidered on a regular basis so that

- A) the allocation can be held constant as market conditions or plant capacities expand.
- B) the allocation can be changed as market conditions or plant capacities stagnate.
- C) the allocation can be held constant as market conditions or plant capacities change.
- D) the allocation can be changed as market conditions or plant capacities change.

Answer: <https://biology-forums.com/index.php?topic=787441>

Question 1248

Total logistics costs are a sum of the

- A) inventory and facility costs.
- B) transportation and facility costs.
- C) inventory and transportation costs.
- D) inventory, transportation, and facility costs.

Answer: <https://biology-forums.com/index.php?topic=787459>

Question 1249

The goal during the supply chain operation phase is to exploit the reduction of uncertainty and optimize performance.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787114>

Question 1250

A highly effective tool for a company to use when it tries to maximize profits while being subjected to a series of constraints is

- A) aggregate programming.
- B) distribution programming.
- C) production programming.
- D) linear programming.

Answer: <https://biology-forums.com/index.php?topic=787677>

Question 1251

A good supplier scoring and assessment process will primarily track performance along the price dimension when evaluating a supplier.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788177>

Question 1252

A(n) _____ measure of performance is more effective at capturing sustainability improvement.

- A) scope
- B) relative
- C) absolute
- D) statistical

Answer: <https://biology-forums.com/index.php?topic=788400>

Question 1253

A company's product development strategy specifies the portfolio of new products that it will try to develop.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787187>

Question 1254

Discuss the characteristics of a successful multi-echelon supply chain.

Answer: <https://biology-forums.com/index.php?topic=787938>

Question 1255

Which transportation network design option uses a combination of other options to reduce the cost and improve responsiveness of the supply chain?

- A) Direct shipping network
- B) Direct shipping with milk runs
- C) Shipping via DC using milk runs
- D) Tailored network

Answer: <https://biology-forums.com/index.php?topic=788145>

Question 1256

Discuss how a firm can respond to predictable variability of demand in the supply chain.

Answer: <https://biology-forums.com/index.php?topic=787783>

Question 1257

If all functional strategies are deliberately aligned with each other and with the overall competitive strategy, then the company profit will be maximized. Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787198>

Question 1258

Tastee Mart sells Frostee Flakes. Demand for Frostee Flakes is 500 boxes per week. Tastee Mart has a holding cost of 30 percent and incurs a fixed cost of \$100 for each replenishment order it places for Frostee Flakes. Given that cost is \$2 per box of Frostee Flakes, how much should Tastee Mart order in each replenishment lot? If a trade promotion lowers the price of Frostee Flakes to \$1.80 for a month, how much should Tastee Mart order given the short-term price reduction?

Answer: <https://biology-forums.com/index.php?topic=787940>

Question 1259

Forecasts should include both the expected value of the forecast and a measure of forecast error.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787566>

Question 1260

_____ is a cost factor performance characteristic of Manufacturer or Distributor Storage with Customer Pickup that is lower than the use of package carriers, especially if using an existing delivery network.

- A) Transportation
- B) Inventory
- C) Information
- D) Facilities and Handling

Answer: <https://biology-forums.com/index.php?topic=787393>

Question 1261

Supply chain network design decisions include the location of manufacturing, storage, or transportation-related facilities and the allocation of capacity and roles to each facility.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787408>

Question 1262

When faced with uncertain conditions it is always best to sign long-term contracts (because they are typically cheaper) and avoid all flexible capacity (because it is more expensive).

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787495>

Question 1263

How many units are produced using overtime in the optimal aggregate plan developed to address Scenario 8.2?

- A) 360
- B) 200
- C) 400
- D) 280

Answer: <https://biology-forums.com/index.php?topic=787685>

Question 1264

The lack of coordination within a supply chain will result in a decrease in

- A) manufacturing cost.
- B) inventory cost.
- C) replenishment lead time.
- D) level of product availability.

Answer: <https://biology-forums.com/index.php?topic=787812>

Question 1265

Linear programming finds the solution that creates the highest profit while satisfying the constraints that a company faces.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787654>

Question 1266

Under a carbon tax system, the price of emissions is

- A) the tax rate set directly by the regulatory authority.
- B) decided by the emitters.
- C) determined by the fraction of total carbon assignable to the company.
- D) agreed upon by all firms competing for the same pool of customers.

Answer: <https://biology-forums.com/index.php?topic=788436>

Question 1267

The basic trade-off to consider during overbooking is between having wasted capacity (or inventory) because of few cancellations or having a shortage of capacity (or inventory) because of excessive cancellations.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788296>

Question 1268

Walmart has worked to convert _____ at its stores from a cost to a profit generator.

- A) energy usage
- B) waste generation
- C) water consumption
- D) reduced packaging

Answer: <https://biology-forums.com/index.php?topic=788410>

Question 1269

Trade promotions and other short-term discounts offered by a manufacturer result in large orders during the promotion period followed by very small orders after that.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787802>

Question 1270

Promoting during a peak demand month may decrease overall profitability if a significant fraction of the demand increase results from a forward buy.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787728>

Question 1271

In which distribution network design is product shipped directly from the manufacturer to the end customer, bypassing the retailer (who takes the order and initiates the delivery request)?

- A) Manufacturer storage with direct shipping

- B) Manufacturer storage with direct shipping and in-transit merge
C) Distributor storage with package carrier delivery
D) Distributor storage with last mile delivery

Answer: <https://biology-forums.com/index.php?topic=787369>

Question 1272

Describe the approaches a manager can use to reduce demand uncertainty.

Answer: <https://biology-forums.com/index.php?topic=788097>

Question 1273

The bullwhip effect decreases

- A) product availability.
B) manufacturing cost.
C) replenishment lead time.
D) transportation cost.

Answer: <https://biology-forums.com/index.php?topic=787815>

Question 1274

In reality, there are no actions in a supply chain that improve both sustainability and supply chain surplus.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788374>

Question 1275

The additive form of the systematic component of demand is shown as

- A) level \times trend \times seasonal factor.
B) level + trend + seasonal factor.
C) (level + trend) \times seasonal factor.
D) level \times (trend + seasonal factor).

Answer: <https://biology-forums.com/index.php?topic=787606>

Question 1276

Two-part tariffs and threshold contracts can be used to counter double marginalization and increase agent effort in a supply chain.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=788193>

Question 1277

The data and analysis concerning facilities, inventory, transportation, and customers throughout the supply chain is known as

- A) facilities.
B) inventory.
C) transportation.
D) information.

Answer: <https://biology-forums.com/index.php?topic=787284>

Question 1278

In adaptive forecasting, the estimates of level, trend, and seasonality are updated after each demand observation.

Is this T/F?

Answer: <https://biology-forums.com/index.php?topic=787574>