

CPIM - Basics of Supply Chain Management

1. Which of the following techniques typically eliminates common errors?

A. Practical kaizen training

B. Kaizen

C. Poka-yoke

D. Kanban

Answer(s): C

2. Which plant type describes a product at one stage that can be transformed into several distinct products at the next stage (divergent points)?

A. A-Plant

B. I-Plant

C. T-Plant

D. V-Plant

Answer(s): D

3. Which of the following statements characterizes an intermittent manufacturing environment?

A. Work center load is predictable.

B. Routings for all products are the same.

C. Work centers are organized by function.

D. Kanban is the most appropriate scheduling method.

Answer(s): C

4. A firm offers products configured from a large number of stocked options. Which of the following production environments is the firm most likely to use?

A. Engineer-to-order

B. Make-to-order

C. Assemble-to-order

D. Make-to-stock

Answer(s): C

5. Which of the following manufacturing systems involves the creation of one unit or a small number of units?

A. Flow manufacturing

B. Intermittent manufacturing

C. Project manufacturing

D. Continuous manufacturing

Answer(s): C

6. Which of the following factors is included in cost of goods sold?

A. Revenue

B. General and administrative expenses

C. Overhead

D. Standard cost

Answer(s): C

7. Which of the following tools is considered to be one of the seven quality tools?

A. Gantt chart

B. Input/output chart

C. Control chart

D. Capacity chart

Answer(s): C

8. The overall objective of an integrated supply chain can best be described as the achievement of:

A. decreased lead time.

B. increased supplier partnerships.

C. an efficient flow of materials and information.

D. an efficient flow of production.

Answer(s): C

9. An electronic board that provides visibility on the production floor is:

A. andon.

B. anova.

C. ANSI.

D. alpha factor.

Answer(s): A

10. Which of the following issues would be of greatest concern for a company choosing to reduce its finished goods inventory?

A. Long production changeover time

B. Customer service expectations

C. Product quality requirements

D. Product shelf life constraints

Answer(s): B

11. Which of the following manufacturing processes would be characterized by a narrow range of standard products, low direct labor costs, and a high level of technical support for manufacturing?

A. Jobbing

B. Intermittent

C. Flow

D. Project

Answer(s): C

12. Which of the following characteristics is most distinctive of lean manufacturing?

A. Teamwork

B. Continuous improvement

C. Qualitative measurements

D. Bottom-line results

Answer(s): B

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

A. failure.

B. appraisal.

C. prevention.

D. inspection.

Answer(s): C

14. A company's cost of goods sold would be found on which of the following financial documents?

A. Balance sheet

B. Income statement

C. Cash flow statement

D. Performance statement

Answer(s): B

15. Having the needed materials within easy reach of a subassembly process eliminates waste of:

A. motion.

B. transportation.

C. making defects.

D. stocks.

Answer(s): A

16. The question below is based on the following cost information:

Capital cost 9%

Storage cost 11%

Risk cost 5%

What is the carrying cost?

A. 14%

B. 16%

C. 20%

D. 25%

Answer(s): D

17. Which of the following terms refers to the practice of stopping the production line when a defect occurs?

A. Haiku

B. Arigato

C. Poka-yoke

D. Jidoka

Answer(s): D

18. Which of the following types of layouts is most efficient in a lean production environment?

A. Islands

B. Connected islands

C. Functional layout

D. Cells

Answer(s): D

19. In an assemble-to-order production environment, the master production schedule contains:

A. standard items.

B. finished items.

C. raw materials.

D. subassemblies.

Answer(s): D

20. A production rate based on customer demand is called:

A. cycle time.

B. takt time.

C. lead time.

D. queue time.

Answer(s): B
