

# Certified in Production and Inventory Management (CPIM)

1. Operations management works in a complex environment affected by many factors. Among the most important are:

A. Government regulation

B. the economy and competition

C. Customer expectations and quality

D. all of these

**Answer(s): D**

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2. Government regulations majorly apply to areas as:

A. Environment and taxation

B. Product liability and safety

C. Population growth

D. All of these

**Answer(s): A B**

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3. Shifts in the age of the population needs of ethnic groups, low population growth, freer trade between countries and increased global competition all contributes to:

A. Government

B. changes in the marketplace

C. Business decisions

D. customer expectations

**Answer(s): B**

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4. Some of the characteristics customers expect when they buy products are all of the following EXCEPT:

A. A fair price with higher quality products and services

B. Delivery lead time

C. Presale services better than after sale services

D. Product and volume flexibility

**Answer(s): C**

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5. Customer requirements may be based on price, quality, delivery and so forth are called:

A. Order qualifiers

B. Order prerequisites

C. Order basis

D. None of these

**Answer(s): A**

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6. For example, the price for a certain type of product must fall within a range for the suppliers to be considered .but being considered does not mean winning the order. so win orders a supplier

must have characteristics that encourage customers to choose its products and services over competitors. Those competitive characteristics, or combination of characteristics are called

A. Order takers

B. Order achievers

C. Order winners

D. Order credentials

**Answer(s): C**

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7. Order winning characteristics are defined primarily from:

A. Competition

B. customer needs

C. Business sector

D. Both A, B

**Answer(s): D**

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8. It is virtually impossible to be the best in every dimension of competition. Firms should in general:

A. Strive to provide at least minimum level of acceptance for each of the order qualifiers

B. Should try to be the best in the market for the order winners.

C. Should keep in mind the pace of change

D. A & B

**Answer(s): D**

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9. It should be recognized that order winners and qualifiers for any product market combination are not static. not only will customers change perspectives as competitors jokey for position but the order winners and qualifiers will often change based on the concepts of:

A. Product life cycle

B. Economic changes

C. Government regulation

D. Market needs

**Answer(s): A**

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10. Quality and delivery factor of products tend to have increased importance during:

A. Maturity phase

B. Growth phase

C. Introduction phase

D. Decline phase

**Answer(s): B**

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11. Life cycle approach for identifying order winners and qualifiers is complicated in that:

A. The duration of life cycle will be very different for different products.

B. Customer needs change work frequently

C. Life cycle phase are difficult to understand

D. Not a single requirement applies to all these of life cycle

**Answer(s): A**

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**12.** Which one of the following is a basic strategy to achieve the level of shortest lead time?

A. Engineer-to-order

B. Assemble-to-order

C. Make-to-stock

D. None of these

**Answer(s): D**

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**13.** This is the situation of lead time strategy in case of:

A. Engineer-to-order

B. Make-to-stock

C. Make-to-order

D. None of these

**Answer(s): A**

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**14.** Which one of following is not an important factor in supply chain?

A. The supply chain includes all activities and processes to supply a product or service to a final customer

B. Any number of companies can be linked in the supply chain

C. product or services usually flow from customer to supplier and design and demand information usually flows from customer to supplier. Rarely is this not so.

D. A customer can be a supplier to another customer so the total chain can have a number of supplier customer relationships.

**Answer(s): C**

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**15.** With the explosive growth in just-in-time (JIT) concepts, the supplier-customer partnership concept grew as a result many changes in their relationships came including:

A. Mutual analysis for cost reduction

B. Mutual product design

C. Need for rapid delivery

D. Speed of accurate information flow

**Answer(s): D**

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**16.** As 1980 gave way to the 1990 the world continued to change, forcing additional changes in supply-chain concepts. All of the following statements depict those changes EXCEPT:

A. Explosive growth in computer capability applications as ERP.

B. Large growth in global competition

C. growth in the technological capabilities for product and processes

D. Growth in JIT

**Answer(s): D**

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**17.** To result in optimal performance for customer service and cost, it is felt that the supply chain of activities as an extension of partnership. This implies many issues, but critical one/s include/includes:

A. Flow of material

B. Flow of information and sharing of information, mostly through the internet

C. Fund transfers

D. All of these

**Answer(s): D**

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**18.** Take as an example the supply chain of organizations that represent the flow from raw silicon used to make computer chips to the delivery and disposal of the computer itself:

What is illustrated here is but one chain of a set of different component chains that represent a network of suppliers and distributors for a product to manage a supply chain one must:

A. Try to efficiently plan material and information flows along each chain to maximize cost efficiency, effectiveness, delivery and flexibility.

B. Understand the network of suppliers and customers

C. Rapid flows of accurate information and increased organizational flexibility

D. All of these

**Answer(s): D**

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**19.** What was/were the conflict/s in traditional system before the growth of supply chain concept?

A. Supply, production and distribution system were organized into separate functions that reported to different departments of a company.

B. Often departmental objectives were maximized without considering the effect they would have on other parts of the system.

C. Costly distribution systems were these

D. Strategy of high inventory pile up was following

**Answer(s):** A B

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**20.** To get most profit, a company must have:

A. Best customers service

B. Lowest production and inventory costs

C. Lowest distribution costs

D. All of these

**Answer(s):** D

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