

APICS

Exam CPIM-MPR

**Certified in Production and Inventory Management - Master
Planning of Resources**

Version: 6.0

[Total Questions: 105]

Question No : 1

A key benefit of an effective sales and operations planning (S&OP) process is that it provides a:

- A. direct and consistent dialogue between operations and senior management.
- B. means to evaluate the feasibility of business plans.
- C. procedure for defining product family priorities.
- D. statement of production required to meet unconstrained demand.

Answer: A

Question No : 2

Since introducing distribution requirements planning, management at a company has had increased complaints from staff at satellite warehouses that the variances of local demand are being ignored, and they often are unable to meet demand. An effective response from management would be to:

- A. allow adjustments to the forecast based on input relating to local sales activity.
- B. permit last-minute changes to the production schedule.
- C. increase safety stock at the central warehouse of items that are repeatedly out of stock.
- D. implement an ABC inventory management strategy.

Answer: A

Question No : 3

Which of the following statements about both econometric models and market research is true?

- A. They are examples of intrinsic forecasting techniques.
- B. They are useful in forecasting at the stockkeeping unit level.
- C. They are useful in aggregate planning.
- D. They can be used in place of adaptive smoothing.

Answer: C

Question No : 4

A single-level, centralized distribution network would be most appropriate for a firm whose products are:

- A. small, inexpensive, and distributed throughout the world.
- B. heavy, inexpensive, and with a short required delivery time.
- C. large, expensive, and with a high level of demand.
- D. large, and with a long required delivery time.

Answer: D

Question No : 5

If the master production schedule is overstated, which of the following short-term actions is most appropriate?

- A. The demand time fence should be moved out.
- B. Lot sizes should be decreased.
- C. Safety stocks should be decreased.
- D. Firm planned orders should be rescheduled.

Answer: D

Question No : 6

Which of the following factors has the greatest effect on the length of the forecast horizon?

- A. Cumulative product lead time
- B. Purpose of the forecast
- C. Frequency of forecast revision
- D. Size of forecast period

Answer: B

Question No : 7

Which of the following actions is best for a company to take when a 2-week plant shutdown for retooling is planned for the next year?

- A. Increase planned production.
- B. Increase material requirements planning safety-stock levels.
- C. Decrease the planned sales level during the shutdown.
- D. Alter the strategic plan.

Answer: A

Question No : 8

Which of the following is typically an output of the master scheduling process?

- A. Sales forecasts
- B. Resource requirements plans
- C. Interplant demands
- D. Projected available balances

Answer: D

Question No : 9

An intensive distribution channel strategy would be most appropriate for which of the following types of product?

- A. Special tools
- B. Capital equipment
- C. Designer clothing
- D. Carbonated beverages

Answer: D

Question No : 10

The greatest risk of aggregating product families at too high of a level for sales and operations planning is that:

- A. it will be more difficult to reconcile the sales plans with the business plan.
- B. imbalances between the demand plan and resources may not be visible.
- C. the resource planning process will be more complicated.
- D. the sales forecasts will not be as accurate for the larger product families.

Answer: B

Question No : 11

A tailor shop is shifting its main business from assemble-to-order to make-to-order. The customer order decoupling point will shift:

- A. from raw material to WIP.
- B. from WIP to raw material.
- C. from finished goods to WIP.
- D. from WIP to suppliers.

Answer: B

Question No : 12

From a management perspective, the choice of transportation mode and routing primarily will affect the:

- A. forecasted demand.
- B. safety stock level.
- C. manufacturing system.
- D. planning horizon.

Answer: B

Question No : 13

Which of the following considerations is valid when selecting a mode of transportation?

- A. Financial viability of the supplier
- B. Transit time consistency

- C. Ownership of equipment
- D. Age of equipment

Answer: B

Question No : 14

In an assemble-to-order environment, which of the following factors is most significant in determining which items should be master scheduled?

- A. Length of the master schedule horizon
- B. Number of levels in the bill of material
- C. Number of product options
- D. Size of the forecast error

Answer: C

Question No : 15

The question below is based on the following distribution requirements plan:

Periods	1	2	3	4	5	6
Gross Requirements	20	15	18	23	26	27
Scheduled Receipts	30					
Projected Available Balance	12					
Planned Order Receipts						
Planned Order Releases						

Lead time is 1 week, lot size is 30, and safety stock is 0. Planned order releases would occur in which of the following sequences?

- A. Weeks 3, 4, 6
- B. Weeks 2, 3, 5
- C. Weeks 2, 3, 4

D. Weeks 3, 4, 5

Answer: B

Question No : 16

A company has an effective sales and operations planning (S&OP) process with monthly plans over a 24 month horizon. The sales and marketing functions have requested that a new product introduction be moved from the tenth month to the sixth month of the current plans which would require a 10% increase in production for months six through nine.

Which of the following actions would be the most appropriate next step in response to the request?

- A. Reject the request to move the new product release in.
- B. Request reduction in other demand plans to offset the request.
- C. Incorporate the request into the current plan
- D. Refer the request to the Executive S&OP meeting.

Answer: B

Question No : 17

The forecast tracking signal is the ratio of the:

- A. forecast to the MAD.
- B. cumulative error to the MAD.
- C. cumulative error to the forecast.
- D. standard deviation to the MAD.

Answer: B

Question No : 18

An outcome of top management's participation in sales and operations planning involves the: