

# APICS

## Exam CSCP

### Certified Supply Chain Professional

Version: 7.0

[ Total Questions: 399 ]

**Topic break down**

<b>Topic</b>	<b>No. of Questions</b>
<b>Topic 1: Fundamentals of Supply Chain Management</b>	<b>76</b>
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**Topic 1, Fundamentals of Supply Chain Management****Question No : 1 - (Topic 1)**

A large manufacturer wanting to be more competitive in the global market place decided to outsource its transportation and return processing to other companies on a contractual basis. The companies providing the services would be referred to as:

- A. fourth party logistics providers.
- B. third party logistics providers.
- C. retail services providers.
- D. distribution services providers.

**Answer: B**

**Question No : 2 - (Topic 1)**

Which of the following attributes typically makes reverse logistics processes more complicated than outbound logistics processes?

- A. Lead times for shipments are more variable.
- B. Individual packages and cartons are less uniform.
- C. There are more regulations mandated by local governments.
- D. There is more competition for scarce transportation lanes.

**Answer: B**

**Question No : 3 - (Topic 1)**

Which of the following is the most important result when a company implements customer relationship management?

- A. Profits are maximized.
- B. Retention of key customers is increased.
- C. Product options are increased.
- D. Transaction costs are decreased.

**Answer: B**

**Question No : 4 - (Topic 1)**

Medium-term demand management projections are used primarily to:

- A. complete strategic business planning of facilities.
- B. complete forecasts at the item level.
- C. aggregate demand for production planning.
- D. develop the master production schedule.

**Answer: C**

**Question No : 5 - (Topic 1)**

A large wholesaler formerly owned a number of delivery trucks. The wholesaler sold all of its trucks and now purchases transportation services from fleet operators. This is an example of which of the following strategies?

- A. Selling and leasing back equipment.
- B. Renting equipment on consignment.
- C. Using a third-party logistics provider.
- D. Using an owner-operator fleet.

**Answer: C**

**Question No : 6 - (Topic 1)**

The focus of collaborative supply chain management differs from a transactional approach by its emphasis on the:

- A. transportation of goods to the next link in the chain.
- B. flow of product information up to the next level of the chain.
- C. flow of demand information and cash up the chain.
- D. flow of supply into an organization.

**Answer: C**

**Question No : 7 - (Topic 1)**

Which of the following actions typically would be considered part of a reverse logistics strategy?

- A. Offering a discount on new purchases when used products are returned
- B. Reducing the amount of packaging material used in shipping
- C. Manufacturing products in batches consistent with full-truckload shipments
- D. Batching returns of defective components to the suppliers

**Answer: A**

**Question No : 8 - (Topic 1)**

Which of the following practices has improved management of the customer pipeline?

- A. Reverse auctions
- B. Sales force automation
- C. Finite capacity planning
- D. Point-of-purchase metrics

**Answer: B**

**Question No : 9 - (Topic 1)**

Which of the following marketing strategies emphasizes offering services at a lower price than rival services with comparable features?

- A. Cost leadership
- B. Service differentiation
- C. Customer focus
- D. Market responsiveness

**Answer: A**

**Question No : 10 - (Topic 1)**

The most likely benefit of implementing a collaborative transportation management system is:

- A. lower distribution center operating costs.
- B. fewer transportation planners.
- C. less variability in picking and packing time.
- D. less variability in transportation costs.

**Answer: D**

**Question No : 11 - (Topic 1)**

A company plans to maximize profitability by charging more for its products at retail locations than on its website. Which of the following segmentation strategies would best support this plan?

- A. Group
- B. Channel
- C. Regional
- D. Location

**Answer: B**

**Question No : 12 - (Topic 1)**

Risk pooling enables a lower total inventory level without affecting service levels based on which of the following assumptions?

- A. Inventory turnover ratio can be reduced.
- B. Aggregate demand is more accurate than disaggregate demand.
- C. The planning time fence can be adjusted as needed.
- D. The supplier shares some risk for holding inventory.

**Answer: B**

**Question No : 13 - (Topic 1)**

Which of the following benefits of supplier relationship management typically results from collaboration with a few critical suppliers?

- A. Automation of supplier sales activities
- B. Elimination of formal contracts
- C. Reduction in customer and supplier inventories
- D. Standardization of communications

**Answer: C**

**Question No : 14 - (Topic 1)**

A firm has identified groups of customers based on specific characteristics the customers desire from products and services the firm can provide. Characteristics include lead times, pricing tiers, and service levels. The firm is engaged in which of the following activities?

- A. Customer differentiation
- B. Order winner segregation
- C. Market segmentation
- D. Channel definition

**Answer: C**

**Question No : 15 - (Topic 1)**

Which of the following indicators is most appropriate to use as a measure of supply chain utilization?

- A. Production equipment productivity
- B. Net asset turnover
- C. Value-added productivity per employee
- D. Upside flexibility

**Answer: B**

**Question No : 16 - (Topic 1)**

The primary objective of supply chain management is:

- A. minimizing transportation costs.
- B. reducing inventory levels.
- C. taking a systems approach.
- D. implementing advanced technologies.

**Answer: C**

**Question No : 17 - (Topic 1)**

Which of the following scenarios represents a correct application of the Supply-Chain Operations Reference-model (SCOR)?

- A. Sales and marketing refers to SCOR to improve demand generation.
- B. Production and engineering uses SCOR best practices to design a new "make" process flow.
- C. Distribution and logistics selects suppliers from the SCOR reference list.
- D. Marketing and development incorporates SCOR Level I metrics for new product design.

**Answer: B**

**Question No : 18 - (Topic 1)**

Reverse supply chain activity typically peaks nearest the beginning of which of the following stages of the product life cycle?

- A. Introduction
- B. Growth
- C. Maturity
- D. Decline

**Answer: D**

**Question No : 19 - (Topic 1)**

Demand management involves which of the following undertakings?



- A. Adjusting capacity to support expected demand
- B. Engaging in activities associated with customer relationship management
- C. Creating higher customer demand by improving performance in areas such as lead time and service levels
- D. Understanding events and managing activities that could influence future demand

**Answer: D**

**Question No : 20 - (Topic 1)**

Compared to mass-media marketing, customer relationship management has the advantage of allowing the organization to:

- A. compete for customers based on service.
- B. reach a larger number of potential customers.
- C. reduce inventory to improve cash flow.
- D. focus on attracting new customers.

**Answer: A**

**Question No : 21 - (Topic 1)**

Which of the following actions typically would be the first step in implementing the philosophy of customer relationship management?

- A. Creating a customer-centric organization
- B. Developing a map of the customer segments
- C. Documenting the objectives for implementation
- D. Selecting an information technology solution

**Answer: A**

**Question No : 22 - (Topic 1)**

Which of the following results can be expected from sharing a common understanding of demand and consumption patterns among supply chain participants?

- A. Improved transparency of collaboration relationships
- B. Increased performance in balanced scorecard
- C. Reduced inventory levels for key items
- D. Better synchronization of planning and operations

**Answer: D**

**Question No : 23 - (Topic 1)**

Compared to a blanket purchase order, a supplier alliance agreement is best differentiated by:

- A. efficient material replenishment processes.
- B. clearly identified roles for the buyer and seller.
- C. a shared vision of added value.
- D. a sole-source agreement.

**Answer: C**

**Question No : 24 - (Topic 1)**

A manufacturer of plastic components that are sold either directly or through distributors wants to identify the requirements of the end customers for each market segment. Which of the following approaches would be most appropriate?

- A. Analyzing the buying history for each of the market segments
- B. Asking the manufacturer's direct customers
- C. Conducting a market research project
- D. Sending samples of potential future products to the final customers

**Answer: C**

**Question No : 25 - (Topic 1)**

A return material authorization (RMA) policy is used in reverse logistics to:

- A. physically transport returned items by using an efficient transportation mode.