Student name:\_\_\_\_\_\_\_\_\_\_

**1)** According to the American Institute of Food Distribution, \_\_\_\_\_\_\_\_\_\_ is the holiday when Americans consume the most food on a single day.

A) Christmas   
 B) Mother's Day  
 C) Super Bowl  
 D) Thanksgiving  
 E) Valentine's Day

**Question Details**Accessibility : Keyboard Navigation  
Topic : Introduction  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Accessibility : Screen Reader Compatible

**2)** Which of the following industries/sectors would not use supply chain management principles and concepts?

A) Banks   
 B) Government agencies  
 C) Manufacturers  
 D) Retailers  
 E) All of these industries/sectors would utilize supply chain management principles and concepts.

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
Topic : Introduction  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Apply  
Accessibility : Screen Reader Compatible

**3)** All of the following functions or activities would be part of supply chain management except:

A) Collaboration efforts with suppliers   
 B) Logistics management  
 C) Manufacturing operations  
 D) Market research  
 E) Sourcing and procurement

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Topic : Definition of supply chain management (SCM)  
Bloom's : Apply  
Accessibility : Screen Reader Compatible

**4)** Which of the following philosophies or orientations has had the least impact on the planning, implementation and control of supply chain management activities?

A) Economic order quantity (EOQ)   
 B) Efficient consumer response (ECR)  
 C) Continuous replenishment (CRP)  
 D) Just-in-time (JIT)  
 E) Total quality management (TQM)

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Reflective thinking  
Bloom's : Understand  
Difficulty : 2 Medium  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Historical development of SCM  
Accessibility : Screen Reader Compatible

**5)** Michael Porter introduced the \_\_\_\_\_\_\_\_\_\_ concept that provided a framework for organizations to develop competitive strategies, including those for supply chain management.

A) Integrated logistics management   
 B) Marketing concept  
 C) Scientific management  
 D) Total quality management (TQM)  
 E) Value chain

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Topic : Historical development of SCM  
Learning Objective : 01-02 To overview the historical development of supply chain management.  
Accessibility : Screen Reader Compatible

**6)** The approach implemented by Procter & Gamble that determines ordering patterns in the consumer goods industry based on distribution center withdrawals and sales data is referred to as \_\_\_\_\_\_\_\_\_\_.

A) Continuous replenishment   
 B) Distribution requirements planning (DRP)  
 C) Scientific management  
 D) Toyota production system  
 E) Universal product code (UPC)

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Topic : Historical development of SCM  
Learning Objective : 01-02 To overview the historical development of supply chain management.  
Accessibility : Screen Reader Compatible

**7)** As a component of supply chain management, logistics impacts a nation's economy in the following area(s):

A) Employment   
 B) Energy costs  
 C) Inflation  
 D) Interest rates  
 E) All of these areas are impacted by logistics.

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Supply chain management and gross domestic product (GDP)  
Bloom's : Apply  
Accessibility : Screen Reader Compatible

**8)** Generally, logistics costs in the United States have \_\_\_\_\_\_\_\_\_\_ since the early-1980s.

A) Consistently decreased.   
 B) Consistently increased.  
 C) Increased during the first several years of the new millennium, but decreased during the recession of 2008-2009 and thereafter.  
 D) Decreased during the first several years of the new millennium, but increased during the recession of 2008-2009 and thereafter.  
 E) Stayed the same.

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Supply chain management and gross domestic product (GDP)  
Accessibility : Screen Reader Compatible

**9)** Smaller firms are more likely than larger firms to engage in \_\_\_\_\_\_\_\_\_\_ when expanding internationally.

A) Direct ownership   
 B) Exporting  
 C) Joint ventures  
 D) Licensing  
 E) All options are equally likely.

**Question Details**Accessibility : Keyboard Navigation  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Globalization  
Accessibility : Screen Reader Compatible

**10)** \_\_\_\_\_\_\_\_\_\_ is an environmental innovator. Their corporate vision emphasizes cost-consciousness and resource efficiency, extensive use of wood in their products, and training co-workers and engaging them in environmental issues.

A) Amazon   
 B) IBM  
 C) Ikea  
 D) Monsanto  
 E) Walmart

**Question Details**Accessibility : Keyboard Navigation  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Sustainability in the supply chain  
Accessibility : Screen Reader Compatible

**11)** Which of the following potential consequence(s) is (are) the result of poor regulatory compliance management?

A) Additional duties and fines.   
 B) Products being held for longer periods of time in customs.  
 C) Loss of company reputation.  
 D) Additional duties and fines and products being held for longer periods of time in customs.  
 E) Additional duties and fines, products being held for longer periods of time in customs, and loss of company reputation.

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Bloom's : Apply  
Topic : Sustainability in the supply chain  
Accessibility : Screen Reader Compatible

**12)** In supply chain management, terrorism, weapons of mass destruction and Middle East instability would be examples of \_\_\_\_\_\_\_\_\_\_ risk.

A) Economic   
 B) Environmental  
 C) Geopolitical  
 D) Societal  
 E) Technological

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Security and risk  
Accessibility : Screen Reader Compatible

**13)** At various times, congestion in West Coast ports in the United States can cause problems. Firms can respond to those delays in many ways. Limited Brands has adopted strategies to lessen the adverse impacts of those delays. Which of the following is not an example of their supply chain disruption strategy?

A) Notifying customers of potential delays resulting from port congestion.   
 B) Shifting freight to Seattle and Tacoma, away from Southern California.  
 C) Developed partnerships with carriers to handle freight movements from a variety of port locations.  
 D) Developed intermodal options for moving freight to inland locations.  
 E) All of the examples are options pursued by Limited Brands.

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Supply chain disruptions  
Accessibility : Screen Reader Compatible

**14)** In the area of disaster preparedness and relief, one specific logistics and supply chain organization was formed to provide post-disaster humanitarian aid. The organization that was created was:

A) American Logistics Aid Network   
 B) Gulf Coast Hurricane Relief Effort  
 C) Red Cross Disaster Relief  
 D) Salvation Army Relief Network  
 E) Supply Chain Disaster Relief Initiative

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Disaster preparedness and relief  
Accessibility : Screen Reader Compatible

**15)** Supply chain executives must be "boundary spanners." Which of the following skills would be of most importance to a supply chain executive?

A) Designing supply chains for strategic advantage, where innovation is vital to competitive advantage.   
 B) Developing and forging partnerships with individuals and organizations within the supply chain.  
 C) Implementing collaborative relationships, which will replace command-and-control relationships.  
 D) Managing information.  
 E) Measuring and managing prices and costs to make money.

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Reflective thinking  
Bloom's : Apply  
Difficulty : 3 Hard  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Human resources  
Accessibility : Screen Reader Compatible

**16)** Which of the following is the best type of supply chain leader?

A) A person who makes decisions with little to no input.   
 B) A person who makes decisions after receiving significant input from others.  
 C) A person who utilizes a team who make decisions with restrictions and the leader's oversight.  
 D) A person who utilizes fully empowered teams.  
 E) All of the options could be examples of approaches taken by good leaders.

**Question Details**Accessibility : Keyboard Navigation  
Bloom's : Understand  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Organizational issues  
Accessibility : Screen Reader Compatible

**17)** The term that refers to changing processes, activities and functions in significant ways is typically called:

A) Continuous improvement   
 B) Marketing concept  
 C) Onboarding  
 D) Reengineering  
 E) Total quality management

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Organizational issues  
Accessibility : Screen Reader Compatible

**18)** Technological developments in supply chain management have had significant impacts. The developments can be either informational/analytical or physical. Which of the following would be considered a physical example of technology development?

A) Big data   
 B) Cloud storage  
 C) 3-D printing  
 D) Supply chain digitization  
 E) Both big data and cloud storage.

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Apply  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Technology  
Accessibility : Screen Reader Compatible

**19)** Which of the following statements is FALSE?

A) Advances in information systems and technology have allowed organizations to better manage their supply chains.   
 B) Communication is the vital link between members of the supply chain and between customers and the supply chain.  
 C) Increasing amounts of products are being sold to consumers and businesses via the Internet.  
 D) The Internet and electronic commerce have not changed the way companies do business and the way firms relate to customers and suppliers.  
 E) Traditional methods of managing the supply chain are proving inadequate in today's fast-paced economy and executives have been forced to innovate.

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Technology  
Accessibility : Screen Reader Compatible

**20)** Which of the following statements is FALSE?

A) Calculating the financial costs and benefits associated with each supply chain member is relatively easy.   
 B) Few if any, supply chains are able to calculate the individual financial contributions of all supply chain members.  
 C) Metrics can be used to evaluate how effectively the supply chain is meeting end-user requirements and each enterprise's contribution to overall performance.  
 D) Supply chains should provide higher levels of customer service at lower costs than traditional forms of distribution.  
 E) Traditionally, organizations have focused on differentiating themselves and improving operational efficiencies by owning their entire supply chain.

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Financial aspects and metrics  
Accessibility : Screen Reader Compatible

**21)** Supply chain management attempts to minimize costs and optimize customer satisfaction.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
Topic : Introduction  
AACSB : Reflective thinking  
Bloom's : Understand  
Difficulty : 1 Easy  
Accessibility : Screen Reader Compatible

**22)** While supply chain automation can help companies improve customer satisfaction, it does not guarantee that a firm will be profitable or achieve sales goals.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
Topic : Introduction  
Bloom's : Understand  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Accessibility : Screen Reader Compatible

**23)** Supply chain management includes the flow of goods and services, but not the flow of information, which is exclusively an information systems responsibility.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
Bloom's : Understand  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Topic : Definition of supply chain management (SCM)  
Accessibility : Screen Reader Compatible

**24)** Supply chain management is another name for integrated logistics management.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Topic : Perspectives on SCM  
Bloom's : Remember  
Accessibility : Screen Reader Compatible

**25)** The concept of supply chain management applies only to an individual firm and not many firms acting together.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Topic : Elements of SCM  
Accessibility : Screen Reader Compatible

**26)** Because supply chain management involves so many functions and processes within and between companies, executives in charge of SCM must be "boundary spanners."

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Topic : Elements of SCM  
Accessibility : Screen Reader Compatible

**27)** Logistics management includes planning, implementation and control of finished goods only and does not include raw materials or work in process items.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Topic : Role of logistics in SCM  
Accessibility : Screen Reader Compatible

**28)** Supply chain management attempts to optimize customer satisfaction while logistics management attempts to optimize customer service.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Learning Objective : 01-01 To define supply chain management (SCM) and identify its relationships wit  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Topic : Role of logistics in SCM  
Accessibility : Screen Reader Compatible

**29)** The most widely known and adopted model of the supply chain is the Forum Model developed by The Ohio State University.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Learning Objective : 01-03 To briefly examine the major approaches to modeling supply chain managemen  
Topic : Approaches to modeling supply chain management  
Accessibility : Screen Reader Compatible

**30)** Relative to other regions of the world, the United States is less efficient at logistics and supply chain management.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Supply chain management and gross domestic product (GDP)  
Accessibility : Screen Reader Compatible

**31)** Developments of new and expanded technologies allow firms to link their operations globally.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Globalization  
Accessibility : Screen Reader Compatible

**32)** In general, infrastructure improvements have not kept pace with increasing supply chain demands.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Bloom's : Understand  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Infrastructure  
Accessibility : Screen Reader Compatible

**33)** In the United States, spending on transportation and water infrastructure as a percentage of gross domestic product (GDP) has declined.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Infrastructure  
Accessibility : Screen Reader Compatible

**34)** The Sarbanes-Oxley Act (SOX) is primarily concerned with ethics and legal misconduct of companies in the United States and impacts chief executive officers (CEOs) and chief financial officers (CFOs), but rarely impacts supply chain executives.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Reflective thinking  
Difficulty : 2 Medium  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Regulatory issues  
Bloom's : Apply  
Accessibility : Screen Reader Compatible

**35)** Businesses have to widen responsibility for managing supply chain risks so that these risks are considered across all parts of the company.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Bloom's : Apply  
Topic : Security and risk  
Accessibility : Screen Reader Compatible

**36)** A "three strikes and you’re out" policy with respect to vendor products that are either counterfeit or do not match specification is an example of cyber supply chain best practice.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Bloom's : Remember  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Topic : Security and risk  
Difficulty : 3 Hard  
Accessibility : Screen Reader Compatible

**37)** Developing and implementing humanitarian supply chains is relatively easy compared to what is required to develop and implement supply chains for normal business operations.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Learning Objective : 01-04 To identify how various societal issues impact supply chains and supply ch  
Bloom's : Apply  
Topic : Disaster preparedness and relief  
Accessibility : Screen Reader Compatible

**38)** The concept that "each firm in the supply chain must be focused on the customer and engaged in developing goods and services which optimize the customer’s and the firm’s experience" is a great concept in theory, but impossible to implement in practice.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Bloom's : Understand  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Customer service and satisfaction  
Accessibility : Screen Reader Compatible

**39)** After sale support, such as handling product returns in reverse logistics, is an important component in achieving acceptable levels of customer satisfaction.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Difficulty : 1 Easy  
AACSB : Knowledge Application  
Bloom's : Remember  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Customer service and satisfaction  
Accessibility : Screen Reader Compatible

**40)** In human resource management, well-defined policies and procedures are favored by millennials, while situations involving ambiguity are to be avoided.

⊚ true  
 ⊚ false

**Question Details**Accessibility : Keyboard Navigation  
Bloom's : Understand  
AACSB : Knowledge Application  
Difficulty : 2 Medium  
Learning Objective : 01-05 To identify how various business-related issues impact supply chains and s  
Topic : Human resources  
Accessibility : Screen Reader Compatible

**Answer Key**Test name: Chapter 01 Test Bank

1) D

2) E

3) D

4) A

5) E

6) A

7) E

8) C

9) B

10) C

11) E

12) C

13) E

14) A

15) B

16) E

17) D

18) C

19) D

20) A

21) TRUE

22) TRUE

23) FALSE

24) FALSE

25) FALSE

26) TRUE

27) FALSE

28) TRUE

29) FALSE

30) FALSE

31) TRUE

32) TRUE

33) TRUE

34) FALSE

35) TRUE

36) FALSE

37) FALSE

38) FALSE

39) TRUE

40) TRUE