**CPPM – MCQ**

1. The Phase of the supply chain which comes after the manufacturing process is known as \_\_\_\_\_\_\_\_\_\_

a. supply network

b. logistics network

c. Distribution network

d. Acquisition network

1. The purchasing function is primarily concerned with managing \_\_\_\_\_\_ and \_\_\_\_\_\_\_.

a. Customers, Consumers

b. Manufacturers, Suppliers

c. Supply, Demand

d. Vendors, Suppliers

1. Supply chain management performs the \_\_\_\_\_\_\_\_\_\_\_ integration of suppliers, factories, warehouses and stores so that merchandise is produced and distributed.

a. Collaborative

b. Efficient

c. Economical

d. Effective

e. Cost Effective

1. The purchasing department in the twenty-first century also functions as an \_\_\_\_\_\_\_\_gathering agency.

a. Information

b. Materials

c. Products

d. Merchandise

1. Important Procurement function characteristics are responsiveness and \_\_\_\_\_

Effectiveness

Efficiency

Economy

Reliability

1. A key consideration in the Supply Chain planning is \_\_\_\_\_\_

Best fit

Worse fit

Average fit

Strategic fit

1. Based on demand patterns products fall into one of two categories:

Functional and Innovative

Creative and Innovative

Effective and Efficient

High cost or Low cost

1. The process of obtaining goods or services is called

a. procurement

b. logistics

c. integration

d. purchasing

1. \_\_\_\_\_\_\_\_\_\_ is the generic name for purchasing, that has become a global systems term.

a. Sourcing

b. Soliciting

c. Procurement

d. Buying

1. \_\_\_\_\_\_\_\_\_\_ is the central theme in Procurement and Supply work flow

a. Integration
b. Collaboration
c. Distribution
d. Acquisition

1. The longer the forecast horizon the \_\_\_\_\_\_\_\_\_ the forecast

a. Best
b. Average
c. Better
d. Worse

1. Matching supply and demand is \_\_\_\_\_\_\_\_\_\_\_\_
2. Easy
3. Convenient
4. Difficult
5. None of the above
6. \_\_\_\_\_\_ can be requested where the price is fixed and the creativity and quality of the solution is at stake.

a. Bids

b. Quotes

c. Proposals

d. Orders

1. \_\_\_\_\_\_\_\_\_\_ is not the only source of uncertainty.

a. Demand

b. Supply

c. Purchase order

d. Forecasting

1. Increasing \_\_\_\_\_\_\_\_\_\_ results in higher costs that lower efficiency

a. Supply

b. Responsiveness

c. Flows

d. Coordination

1. The functions and activities in the acquisition chain end at the

a. Customer

b. Warehouse

c. OEM

d. Tier 1 supplier

1. \_\_\_\_\_\_\_\_\_\_is the bulk of acquisition chain activities in a Supply Chain.

a. Inventory Management

b. Materials Management

c. Distribution Management

d. Integration Management

1. \_\_\_\_\_\_\_\_\_\_\_Usually includes detailed requirements, pricing, and terms and conditions.

a. Scope of Work

b. Statement of Work

c. Reorder point

d. EOQ

1. An order that customers make with suppliers that contains multiple delivery dates scheduled over a period of time, sometimes at predetermined

a. Purchase Order

b. Blanket Purchase Order

c. Bill of Exchange

d. Procurement Cards

1. An \_\_\_\_\_\_\_\_\_\_\_ supply chain can be defined as a chain of supply that has the potential to respond to changing requirements in a way that accelerates the delivery of ordered goods to customers.

a. Reverse

b. Agile

c. PUSH

d. PULL

e. GREEN

1. \_\_\_\_\_\_\_\_\_\_\_ compete to win the manufacturer’s supply orders.

a. Retailers

b. Intermediaries

c. Suppliers

d. Vendors

1. Who is called Buyer?
(a) A person who buys goods.
(b) A person who buys or agrees to buy goods.
(c) A person who agrees to buy goods.
(d) Who offers consideration
2. Who is Seller?
(a) A person who agrees to sell goods.
(b) A person who sells or agrees to sell goods.
(c) Who offers consideration
(d) A person who sells goods.
3. A sells,  by auction to B a horse which A knows to be unsound. A says nothing to B about the horse  unsoundness. A does :

A)  Fraud

B)  Misrepresentation

C) No fraud

D) Undue Influence

1. The person making the proposal is called the :

A) promise

B) Promisor

C) Offeror

D) Offeree

D) None of these

1. Competitive relationship is an example of

a. Win-Win

b. Win-Lose

c. Lose-Win

d. Lose-Lose

1. \_\_\_\_\_\_ can be requested where the price is fixed and the creativity and quality of the solution is at stake.

a. Bids

b. Quotes

c. Proposals

d. Orders

1. Specification must define \_\_\_\_\_\_\_\_\_\_

a. Information

b. Quality

c. Materials

d. Cost

e. Brand

1. A distant relationship where the buyer does not need frequent access to the supplier. Purchases are infrequent and of low volume, and the trouble of a closer relationship is not justified.

a. Arm’s length

b. Transactional

c. Closer tactical

d. Single Sourced

1. In Sub-contracting, Contractor is responsible for the quality and time schedule to be maintained for the overall materials to be supplied and completed through and with the help of the subcontractors. (TRUE / FALSE)
2. Some benefits of Subcontracting are
3. Gain access to world class capabilities
4. Improve organisational focus
5. Make capital funds available
6. Free management time
7. All of the above
8. Some problems in subcontracting are:
9. Long term commitment
10. Communication with suppliers
11. Dependence on suppliers
12. Additional training
13. All of the above
14. \_\_\_\_\_\_\_\_\_\_\_ compete to win the manufacturer’s supply orders.

a. Retailers

b. Intermediaries

c. Suppliers

d. Wholesalers

e. Vendors

1. A \_\_\_\_\_\_\_\_\_ exists when an individual is carrying out a task on behalf of the company and has a private interest in the outcome.
2. Conflict of Interest
3. Governance Standards
4. Individual Interests
5. Organizational Interest
6. The process of obtaining goods or services is called

a. Procurement

b. Logistics

c. Integration

d. purchasing

1. The organisation still uses a large number of suppliers, but most spending is on just a few of them is the \_\_\_\_\_\_\_\_ stage of selection of a supply base.

a. Innocence

b. Awareness

c. Understanding

d. Competence

e. Excellence

1. Acquire necessary supplies, services, and/or solutions of the desired quality, on-time, and at the lowest reasonable price is the imperative of
2. Buyer
3. Seller
4. Intermediary
5. Contractor
6. All of the above
7. Certain events, beyond the control of the parties, may inhibit the parties from fulfilling their duties and obligations under the project agreements is known as
8. Vicarious Liability
9. Mistake
10. Force Majeure
11. Repudiation
12. Under \_\_\_\_\_\_\_\_ law *force majeure* is an event that is unforeseeable, unavoidable and external that makes execution impossible.
13. French
14. British
15. American
16. Common
17. Civil
18. The risk of *force majeure* is generally allocated to the grantor. (TRUE / FALSE)
19. It is important to ensure that *force majeure* events are events which are not reasonably foreseeable/ are unlikely to occur. (TRUE / FALSE)
20. *Force majeure* events generally can be divided into two basic groups:
21. Natural events and political events.
22. Political and Legal events
23. Natural and Environmental Events
24. Economic and Military Events
25. Terrorism, Riots, Civil Disturbances, War, Strikes are
26. Political Events
27. Economic Events
28. Special Events
29. Natural Events
30. Unforeseeable Events
31. A conflict of interest involves risk of benefit and/or bias. (TRUE / FALSE)
32. Accepting a favor or a gift from a client above the amount specified as acceptable by the company is known as
33. Favoritism
34. Lobbying
35. Conflict of Interest
36. Nepotism
37. Bias
38. As a person working in Procurement Function, as soon as you suspect a Conflict of Interest
39. Pretend nothing is wrong
40. Report It
41. Keep Quiet
42. All of the above
43. About the fairness, justness, rightness, or wrongness of an action.
44. Ethics
45. Morals
46. Honesty
47. Integrity
48. Managements must create a culture that reinforces ethical behavior in Procurement.
49. TRUE
50. FALSE
51. NOT APPLICABLE
52. PARTIALLY TRUE
53. One of the challenges surrounding ethics is that no international agreement exists about what constitutes global, ethical behavior. (TRUE / FALSE)
54. Capturing and acknowledging mutual agreement on the work activities, deliverables, and timeline that a vendor will execute against in performance of work for a customer. Usually includes detailed requirements, pricing, and terms and conditions.
55. Statement of Work
56. Service Level Agreement
57. Contracting
58. Procurement
59. Subcontracting
60. \_\_\_\_\_\_\_\_\_\_is a market dominated by just a few large suppliers.
61. Monopoly
62. Oligopoly
63. Duopoly
64. Monopsony
65. A form of negotiation wherein a neutral person would be invited to guide the disputing parties towards reaching an agreement.
66. Unassisted Negotiation
67. Facilitated Negotiation
68. Negotiation
69. Conciliation
70. Bargaining is an alternative pricing strategy to fixed prices. (TRUE / FALSE)
71. Vendor and Supplier are one and the same. (True / False)
72. A Dealer is a \_\_\_\_\_\_\_\_\_\_\_

a. Link

b. Principal

c. Agent

d. Stockist

1. \_\_\_\_\_\_ is a way of getting a competitive advantage, through which a company can beat its competitors along with fulfilling customer requirements.

a. Supply Chain

b. Value Chain

c. Logistics Chain

d. Procurement

1. *\_\_\_\_\_\_\_* involves a commercial transaction between a buyer and a supplier located in different countries

a. International purchasing

b. Domestic purchasing

c. Purchasing relationship

d. Supplier relationship

1. \_\_\_\_\_\_\_\_\_bargaining is common, but considered not a good option when maintaining long-term relationships is a desired result.
2. Distributive
3. Integrative
4. Spot
5. Forward
6. Procurement Ethics is culture specific. (TRUE / FALSE)
7. It is the right and prerogative of an organization to decide from which supplier they will procure / purchase.
8. TRUE
9. FALSE
10. Partially True
11. None of the above