

# APICS

## Exam CPIM-BSP

### CPIM - Basics of Supply Chain Management

Version: 6.0

[ Total Questions: 155 ]

**Topic break down**

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**Topic 1, Business-wide Concepts****Question No : 1 - (Topic 1)**

Which of the following manufacturing environments presents the greatest complexity in promising completion dates for customer orders?

- A. Flow
- B. Repetitive
- C. Continuous
- D. Intermittent

**Answer: D**

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

The question below is based on the following cost information:

Capital cost	9%
Storage cost	11%
Risk cost	5%

What is the carrying cost?

- A. 14%
- B. 16%
- C. 20%
- D. 25%

**Answer: D**

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

Gemba is a Japanese word meaning:

- A. shop floor.
- B. shop order.
- C. shop packet.
- D. shop traveler.

**Answer: A**

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

Which practice focuses on root cause analysis?

- A. Statistical process control
- B. Five whys
- C. Scatter diagram
- D. Pareto chart

**Answer: B**

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

Which of the following situations is characteristic of a make-to-stock environment?

- A. Work in process (WIP) represents the largest cost of inventory.
- B. The impact of technology on the production process will be large.
- C. The master schedule is stated at the finished product level.
- D. Customer involvement is typically very high.

**Answer: C**

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

In an assemble-to-order production environment, the master production schedule contains:

- A. standard items.
- B. finished items.
- C. raw materials.
- D. subassemblies.

**Answer: D**

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

The primary purpose of enterprise resources planning is to:

- A. focus on the manufacturing function within an organization.
- B. integrate an approach to business management.
- C. use external knowledge to seek an internal advantage.
- D. provide data protection along the supply chain.

**Answer: B**

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

A firm offers products configured from a large number of stocked options. Which of the following production environments is the firm most likely to use?

- A. Engineer-to-order
- B. Make-to-order
- C. Assemble-to-order
- D. Make-to-stock

**Answer: C**

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

The overall objective of an integrated supply chain can best be described as the achievement of:

- A. decreased lead time.
- B. increased supplier partnerships.
- C. an efficient flow of materials and information.
- D. an efficient flow of production.

**Answer: C**

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

Which of the following statements characterizes an intermittent manufacturing environment?

- A. Work center load is predictable.
- B. Routings for all products are the same.
- C. Work centers are organized by function.
- D. Kanban is the most appropriate scheduling method.

**Answer: C**

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

Which of the following tools is considered to be one of the seven quality tools?

- A. Gantt chart
- B. Input/output chart
- C. Control chart
- D. Capacity chart

**Answer: C**

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

The principal objective of total quality management in manufacturing is to:

- A. implement statistical process control.
- B. meet the expectations of the customer.
- C. reduce the costs of failure.
- D. eliminate inspections.

**Answer: B**

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

A company's cost of goods sold would be found on which of the following financial

documents?

- A. Balance sheet
- B. Income statement
- C. Cash flow statement
- D. Performance statement

**Answer: B**

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

Which of the following items is considered an external failure cost?

- A. Warranty cost
- B. Incoming inspection
- C. Prevention cost
- D. Appraisal cost

**Answer: A**

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

Which of the following characteristics is most distinctive of lean manufacturing?

- A. Teamwork
- B. Continuous improvement
- C. Qualitative measurements
- D. Bottom-line results

**Answer: B**

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

Which of the following types of manufacturing processes would tend to have the lowest work in process (WIP) inventory?

- A. Project

- B. Intermittent
- C. Batch
- D. Flow

**Answer: D**

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

Which of the following techniques typically eliminates common errors?

- A. Practical kaizen training
- B. Kaizen
- C. Poka-yoke
- D. Kanban

**Answer: C**

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

After a quality improvement program has been successfully implemented, the greatest cost of controlling quality typically is the cost of:

- A. failure.
- B. appraisal.
- C. prevention.
- D. inspection.

**Answer: C**

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

Having bolts and tools at the point of use on the automobile assembly line eliminates the waste of :

- A. waiting.
- B. overproduction.
- C. making defects.



D. stocks.

**Answer: A**

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

Inventory turns is an appropriate performance measure for which of the following functions?

- A. Material control
- B. Activity-based costing control
- C. Total quality management
- D. Flexible manufacturing

**Answer: A**

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

The theory of constraints is most effective when:

- A. demand environments are unstable.
- B. demand environments are stable.
- C. the constraint cannot be managed easily.
- D. the constraint cannot be identified easily.

**Answer: B**

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

Which of the following concepts could a firm implement to reduce defects?

- A. Hansei
- B. Jidoka
- C. Muri
- D. Heijunka

**Answer: B**

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

The heijunka philosophy can best be described as:

- A. level production.
- B. make-to-stock production.
- C. a chase production strategy.
- D. produce to stock production.

**Answer: A**

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

Having the needed materials within easy reach of a subassembly process eliminates waste of:

- A. motion.
- B. transportation.
- C. making defects.
- D. stocks.

**Answer: A**

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

Reducing set up time will affect item lead time and throughput in which of the following ways?

- A. Lead time will increase, throughput will decrease
- B. Lead time will increase, throughput will increase
- C. Lead time will decrease, throughput will increase
- D. Lead time will decrease, throughput will decrease

**Answer: C**