

**M.COM DEGREE (CSS) EXAMINATION  
THIRD SEMESTER – FACULTY OF COMMERCE (Private Registration)**

**CM810301 – LOGISTICS AND SUPPLY CHAIN MANAGEMENT  
(Marketing and International Business)**

**Multiple Choice Questions**

1. A supply chain which includes the distribution of finished product and service?
  - A. Outbound logistics
  - B. Inbound logistics
  - C. Supply of goods
  - D. Transportation
  
2. What additional factor does overall equipment effectiveness take into account which makes it more meaningful than efficiency or utilization?
  - A. Flexibility
  - B. Speed
  - C. Cost
  - D. Quality
  
3. Which of the following is true for supply chain management?
  - A. The physical material moves in the direction of the end of chain.
  - B. Flow of the cash backward through the chain.
  - C. Exchange of information moves in both the direction.
  - D. All the above
  
4. The purpose of supply chain management is
  - A. Provide customer satisfaction
  - B. Improve quality of a product
  - C. Integrating supply and demand management
  - D. Increasing production
  
5. VMI stands for
  - A. Vendor material inventory
  - B. Vendor managed inventory
  - C. Variable material inventory
  - D. Valuable material inventory
  
6. The major decision areas in supply chain management are
  - A. Location, production, distribution, inventory
  - B. Planning, production, distribution, inventory
  - C. Location, production, scheduling, inventory
  - D. Location, production, distribution, marketing
  
7. Logistics is the part of supply chain involved with the forward and reserve flow of
  - A. Goods
  - B. Service
  - C. Cash
  - D. All of these
  
8. Reserve logistics is required because
  - A. Goods are defective
  - B. Goods are unsold
  - C. The customer simply changes their minds
  - D. All of the above

9. 3-PL stands for
- A. Three points logistics
  - B. Third party logistics
  - C. Three points location
  - D. None of the above
10. The supply concept originated in what discipline?
- A. Marketing
  - B. Operations
  - C. Logistics
  - D. Production
11. Qualified is defined by the customer is
- A. An unrealistic definition of quality
  - B. A user-based definition of quality
  - C. A manufacturing-based definition of quality
  - D. A product-based definition of quality
12. The supply chain management philosophy emerged in.....
- A. 1960's
  - B. 1970's
  - C. 1980's
  - D. 1990's
13. Positive, long term relationships between supply chain participants refers to
- A. Co-operation
  - B. Tailor logistics
  - C. Partnership
  - D. Supply chain management
14. The input to a transformation process include all of the following except
- A. Material
  - B. People
  - C. Information
  - D. Assembly
15. Zero defects in manufacturing.....
- A. Is a relevant goal only in electronic assembly
  - B. Is readily achievable in all areas
  - C. Is the goal of TQM
  - D. Is an unobtainable and misleading idea
16. Which of the following is not an area responsibility for a logistic manager
- A. Inventory
  - B. Purchasing
  - C. Warehousing
  - D. Marketing
17. Which came last in the development of manufacturing techniques?
- A. Learn production
  - B. Division of labor
  - C. Mass production
  - D. Interchangeable parts

18. Which one of the following would not generally be considered as an aspect of operations management?
- A. Work methods
  - B. Secured financial resources
  - C. Maintain quality
  - D. Product or service design
19. Inspection, scarp, and repair are example of
- A. Internal cost
  - B. External cost
  - C. Cost of dissatisfaction
  - D. Warranty & service cost
20. All the following costs are likely to decrease a result of better quality except
- A. Customer dissatisfaction
  - B. Maintenance cost
  - C. Scrap cost
  - D. Warranty and service cost
21. Which came last in the development of manufacturing process
- A. Lean production
  - B. Division of labor
  - C. Mass production
  - D. Craft production
22. Which of the following is not a typical supply chain member?
- A. Retailer
  - B. Wholesaler
  - C. Producer
  - D. Customer
23. A supply chain includes the chain of entities involved in the planning, procurement, production and..... of products and services
- A. Distribution
  - B. Supply
  - C. Demand
  - D. Transport
24. Companies manage their supply chain through.....
- A. Information
  - B. Competitor
  - C. Internet
  - D. Skilled operator
25. Lean production involves
- A. Improvement of speed only
  - B. Improvement of quality only
  - C. Elimination of all types of waste
  - D. Elimination of cost only
26. Which of the following is not a factor affecting the supply chain?
- A. Reduced number of suppliers
  - B. Increased competition
  - C. Longer product life cycle.
  - D. Increased opportunities to strategically use technology

27. TQM refers to
- A. Total quantity management
  - B. Total quality management
  - C. Total quality marketing
  - D. Total quotient management
28. .... includes design and administration of system to control the flow of materials, work in progress and finished inventory to support business unit strategy
- A. Logistics management
  - B. Materials management
  - C. Bills of materials
  - D. None of these
29. .... and physical distribution are the two major operations of logistics
- A. Supply chain management
  - B. Material management
  - C. Logistics management
  - D. None of these
30. Buying according to the requirements is called .....
- A. Seasonal buying
  - B. Hand to mouth buying
  - C. Scheduled buying
  - D. Tender buying
31. Getting the right goods to the right location at the right time for the least cost is known as
- A. Market facilities
  - B. Market logistics
  - C. Market distribution
  - D. None of the above
32. .... are meant to store products for moderate to long period of time
- A. Storage warehouses
  - B. Distribution warehouses
  - C. Automated warehouses
  - D. None of the above
33. .... uses advanced materials handling systems under the direction of a central computer
- A. Storage warehouses
  - B. Distribution warehouses
  - C. Automated warehouses
  - D. None of the above
34. .... encompasses all activities associated with the flow and transformation of goods from the raw material stage, through to the end user, as well as the associated information flows.
- A. Production line
  - B. Supply chain
  - C. Marketing channel
  - D. Warehouse
35. Which of the following is not one of the process in the SCOR model
- A. Sell
  - B. Plan
  - C. Make
  - D. Return

36. According to Professor Mentzer and colleagues, the supply chain concept originated in which discipline?
- A. Marketing
  - B. Operations
  - C. Logistics
  - D. Production
37. .... is the provision of service to customers before, during and after a purchase
- A. Customer service
  - B. Product management
  - C. Purchase management
  - D. None of the above
38. "Kaizen" is a Japanese term meaning
- A. A fool proof mechanism
  - B. Just in time (JIT)
  - C. A fishbone diagram
  - D. Continuous improvement
39. The most common form of quality control includes:
- A. Planning
  - B. Organizing
  - C. Inspection
  - D. Directing
40. When suppliers, distributors, and customers collaborate with each other to improve the performance of the entire system, they are participating in a .....
- A. Channel of distribution
  - B. Value delivery network
  - C. Supply chain
  - D. Supply and demand chain
41. A supply chain is a sequence of firms that perform activities required
- A. To find products that are similar
  - B. To facilitate wholesalers inventory selections
  - C. To create synergy in their training programs
  - D. To create and deliver goods to consumers
42. Intermediaries play an important role in matching .....
- A. Dealer with customer
  - B. Manufacture to product
  - C. Information & promotion
  - D. Supply & demand
43. Today, a growing number of firms now outsource some or all of their logistics to .....intermediaries
- A. Competitors
  - B. Third party logistics providers
  - C. Channel members
  - D. Cross functional teams
44. What technique deal with the problem of supply sufficient facilities to production lines or individuals that require uneven service?
- A. Supply-demand theory
  - B. PERT
  - C. Inventory theory
  - D. Queuing theory

45. A type of logistics costing

- A. Consumer costing
- B. Employee costing
- C. Activity costing
- D. None of these

46. Supply chain management is increasingly difficult and complex due to:

- A. Increased pace of globalization
- B. Population
- C. Economies of scale
- D. Improvements in communication system

47. The time difference between a business ordering and receiving stock is called the

- A. Recorder quantity
- B. Lead time
- C. Buffer stock
- D. Recorder level

48. The business term that involves choosing a supplier, agreeing what to buy at a certain price and by when is called?

- A. Logistics
- B. Supply chain management
- C. Stock control
- D. Procurement

49. Procurement methods have considerable impact on.....

- A. Product pricing
- B. Inventory level
- C. Warehouse space
- D. Transportation modes

50. AITS in inventory controls means.....

- A. All Inventory Transport System
- B. Automated Inventory Tracking and System
- C. Alternative Inventory Trading System
- D. Adoption of Inventory Tracing Storage

51. Expand SPC

- A. Standard process control
- B. Statistical performance control
- C. Standard production control
- D. Statistical production control

52. Which of the following is not included in the logistic costs?

- A. Storage of material and waste
- B. External and internal transport
- C. Storage of semi-finished products
- D. None of these

53. Which cost element is included in inventory holding?

- A. Service cost
- B. Risk cost
- C. Storage cost
- D. All of these

54. Which of the following is considered as fixed cost for supply chain costing?
- A. Driver salary
  - B. Depreciation of vehicle
  - C. Warehouse building property tax
  - D. All of these
55. Which of the following is not included in logistics costs?
- A. Storage of material and waste
  - B. External and internal transport
  - C. Storage of semi-finished products
  - D. None of these
56. What refers to the distance to and from a delivery zone?
- A. Drop distance
  - B. Stem distance
  - C. Petal distance
  - D. None of these
57. Which logistics network modelling technique, is often referred to a “rule of thumb”?
- A. Optimization modelling
  - B. Simulation models
  - C. Heuristic model
  - D. None of these
58. Which of the following document is a contract between the owner of goods and carrier (as with domestic shipments)?
- A. Consular invoice
  - B. Commercial invoice
  - C. Certificate of value
  - D. Bill of lading
59. What is included in the product segmentation while undertaking supply chain segmentation?
- A. Size
  - B. Temperature regime
  - C. Hazard
  - D. All of these
60. Which phase of supply chain design process, decides on which market will be supplied from which locations?
- A. Supply chain strategy
  - B. Supply chain planning
  - C. Supply chain operation
  - D. None of these
61. Which aggregate planning strategy, involves a stable machine capacity and workforce are maintained with a constant output rate?
- A. Chase strategy
  - B. Flexibility strategy
  - C. Level strategy
  - D. None of these
62. Which of the following is not a part of logistics?
- A. Production scheduling
  - B. Replenishment
  - C. Procurement
  - D. Meandering

63. Which of the following transportation modes used for digital products?  
A. Raid  
B. Truck  
C. Air  
D. Internet
64. Non-destructive methods of inspecting and identify goods in transportation systems is called  
A. Radiography  
B. Cargo scanning  
C. Produce inspection  
D. Goods verification
65. The word 'logistics' is derived from the French word .....  
A. Logic  
B. Logger  
C. Longer  
D. Logos
66. Logistics is typically considered as a subset of .....  
A. Marketing  
B. Supply chain management  
C. Human resource management  
D. None of these
67. CPFR stands for  
A. Collection Planning Forecasting and Replacement  
B. Collaborative Planning Forecasting and Reflective  
C. Collaborative Planning Forecasting and Replacement  
D. Collaborative Planning Forecasting and Replenishment
68. 4PL stands for  
A. Fourth Party Logistic Provider  
B. Four Point Logistics Provider  
C. Location Provider  
D. None of these
69. Integrated logistics systems included  
A. Materials management  
B. Materials flow systems  
C. Physical distribution supported by information technology  
D. All of the above
70. A supply chain is made up of a series of process that involve an input, a ....., and an output  
A. Shipment  
B. Supplier  
C. Customer  
D. Transformation
71. "3PL" involves using a supplier to provide .....service  
A. Marketing  
B. Design  
C. Logistics  
D. Contract manufacture



72. .... is a tool to chart how individual process are currently be conducted and to help layout to new improve process
- A. Process mapping
  - B. Pareto charting
  - C. Supply chain design
  - D. Design chain mapping
73. ....are the products that emerge when new products arrive to replace old products
- A. Innovative products
  - B. Replacement products
  - C. Imitative products
  - D. All of these
74. .... was the first kind of packaging Materials used in the history
- A. Basket
  - B. Glass
  - C. Metal
  - D. None of these
75. Which of the following is not an input into logistics
- A. Land
  - B. Competitive advantage
  - C. Facilities
  - D. Equipment
76. .... is referred as professional working in the field of logistics management?
- A. Manager
  - B. Warehouse man
  - C. Logistician
  - D. None of these
77. What is the primary objective for material management?
- A. Efficient materials planning
  - B. Maintaining good supplier and customer relationship
  - C. Supply and distribution of materials
  - D. All of these
78. Which of the following is not a function of wholesaler?
- A. Stock holding
  - B. Sub distribution
  - C. Promotion
  - D. None of these
79. The length of time for which sellers extend credit terms to buyers is known as .....
- A. Marker
  - B. Dating
  - C. Buying
  - D. Price tag
80. Where production logistics is primarily applied?
- A. Manufacturing plants
  - B. Ware houses
  - C. Stock rooms
  - D. None of these

81. ....describes the process of logistics within the industry
- A. Management logistics
  - B. Production logistics
  - C. Logisticians
  - D. None of these
82. .... Is referred as a professional working in the field of logistic management?
- A. Manager
  - B. Ware house man
  - C. Logistician
  - D. None of these
83. A systematic process for originating, developing and evaluating new product ideas is known as .....
- A. Marketing research
  - B. Product planning & development
  - C. Market forecast
  - D. All of these
84. .... refers to the process of having the right item in the right quantity at the right time at the right place for the right condition to the right customers
- A. Business logistics
  - B. Engineering logistics
  - C. Management logistics
  - D. None of these
85. It has been believed that the concept of the logistics originated from the .....
- A. Government
  - B. Military
  - C. People
  - D. None of these
86. What is the primary function of a logistician
- A. Inventory management
  - B. Selling
  - C. Packing
  - D. None of these
87. Which of the following is an output of logistics
- A. Land
  - B. Facilities
  - C. Competitive advantage
  - D. Equipment
88. A company's channel decisions directly affect every .....
- A. Marketing decision
  - B. Employee in the channel
  - C. Competitor's action
  - D. Channel member
89. What does ROP expands to
- A. Repeat Order Quantity
  - B. Reorder Quantity
  - C. Reorder-Point
  - D. Repeat Order Point

90. The objectives of logistics is

- A. Rapid response
- B. Consolidated movement
- C. Create visibility
- D. All of these

91. To reduce inventory management costs, many companies use a system called ..... , which involves carrying only small inventories of parts or merchandise , often only enough for a few days of operation

- A. Reduction inventory management
- B. Supply chain management
- C. Economic order quantity
- D. Just in time logistics

92. In a supply chain, material flows in one direction while ..... from in both direction

- A. Process
- B. Information
- C. Product
- D. Semi-finished goods

93. Today, a growing number of firms now outsource some or all of their logistics to ..... Intermediaries

- A. Competitors
- B. Third party logistics providers
- C. Channel members
- D. Cross functional team

94. What are the two basic type of the production system?

- A. Automated & manual
- B. Intermittent & non –intermittent process
- C. Normal and continuous process
- D. Continuous process and batch

95. Efficiency is defined by

- A. Actual output divided by design capacity
- B. Capacity divided by utilization
- C. Effective capacity divided by actual output
- D. Actual output divided by effective capacity

96. A big advantage of process layout is

- A. It is flexibility
- B. It low cost
- C. The ability to employ low skilled labor
- D. It is a high equipment utilization

97. Selecting suppliers and purchasing item is called .....

- A. Negotiation
- B. Procurement
- C. Contracting
- D. Selection

98. The purpose of supply chain management is.....

- A. provide customer satisfaction
- B. improve quality of a product
- C. Integrating supply and demand management
- D. increase production

99. Logistics is the part of supply chain involved with the forward and reverse flow of
- A. goods
  - B. services
  - C. cash
  - D. all of the above

100. The major decision areas in supply chain management are
- A. planning, production, distribution, inventory
  - B. Location, production, scheduling, inventory
  - C. location, production, inventory
  - D. location, production, distribution, marketing

**ANSWER KEY**

**1. A 2. A 3. D 4. C 5. B 6.A 7. D 8.D 9.B 10.A 11.B 12.D 13. D 14.D  
15.C 16.B 17.D 18.B 19B. 20.B 21.B 22.D 23.A 24.A 25.C 26.C 27.B 28.A  
29.B 30.B 31.B 32.A 33.C 34.B 35.A 36.C 37.A 38.D 39.C 40.B 41.D 42.D  
43.C 44.D 45.C 46.A 47.B 48.D 49.B 50.B 51.C 52.D 53.D 54. D 55.D 56B  
57C 58.B 59.D 60.B 61.A 62.D 63.D 64.B 65.B 66 B 67.D 68.A 69.C 70.D  
71.C 72.A 73.B 74.A 75.B 76.C 77.B 78.D 79.B 80.A 81.B 82.C 83 B 84.D  
85.B 86.A 87.C 88.A 89.C 90.D 91.D 92.B 93.B 94.B 95.D 96.D 97.B 98.A  
99.D 100. A**