

Supply Chain Management Core Concepts Quiz

Supply Chain Management · Practice Test · 5 Questions

1. What is the primary goal of Supply Chain Management (SCM)?

- A) To maximize production output at any cost
- B) To manage the flow of goods, services, and information from origin to consumption
- C) To solely focus on inbound logistics for cost reduction
- D) To eliminate all inventory from the system

2. Which of the following is considered a key flow within a supply chain, alongside product and financial flows?

- A) Political flow
- B) Emotional flow
- C) Information flow
- D) Human resource flow

3. What is the purpose of 'safety stock' in inventory management?

- A) To fulfill immediate customer orders without delay
- B) To hedge against unexpected demand fluctuations or supply disruptions
- C) To reduce warehousing costs by storing less
- D) To offer promotional discounts on excess inventory

4. Which of these functions is typically a core component of logistics within supply chain management?

- A) Product design and engineering
- B) Human resources recruitment
- C) Transportation and warehousing
- D) Financial auditing and reporting

5. The process of identifying, evaluating, and engaging suppliers to acquire goods and services is known as:

- A) Manufacturing
- B) Marketing
- C) Procurement
- D) Distribution