

Supply Chain Management Essentials

Supply Chain Management · Answer Key · 12 Questions

1. What is the primary role of a 'last-mile' delivery in a supply chain?

- A) Transporting raw materials to factories
- B) Moving goods from a distribution hub to the final customer**
- C) Designing product packaging
- D) Storing finished goods in a warehouse

2. Which document is issued by a carrier to acknowledge that goods have been received for shipment?

- A) Bill of Lading**
- B) Purchase Order
- C) Invoice
- D) Sales Receipt

3. What does the acronym 'SKU' stand for in inventory management?

- A) Standard Knowledge Unit
- B) Stock Keeping Unit**
- C) Supply Key Utility
- D) Shipping Known Unit

4. In supply chain management, what does 'Just-in-Time' (JIT) refer to?

- A) Prioritizing expensive products
- B) Reducing waste by receiving goods only as they are needed**
- C) Shipping items only on weekends
- D) Ignoring inventory levels

5. Which entity is typically responsible for transforming raw materials into finished products?

- A) Retailer
- B) Manufacturer**
- C) Consumer
- D) Logistics Broker

6. What is the term for the process of moving goods back from the customer to the seller, often due to returns?

- A) Forward Logistics
- B) Reverse Logistics**
- C) Inventory Rotation
- D) Lead Time

7. What is 'Lead Time' in a supply chain?

- A) The weight of a shipment
- B) The time between ordering a product and its delivery**
- C) The cost of warehouse rent
- D) The distance a truck travels

8. Which type of transport is typically the fastest but most expensive for shipping goods?

- A) Rail freight
- B) Sea freight
- C) Air freight**
- D) Road trucking

9. What is a 'Warehouse Management System' (WMS) primarily used for?

- A) Creating advertising campaigns
- B) Tracking inventory levels and storage locations**
- C) Hiring warehouse staff
- D) Calculating corporate tax

10. Which term describes the entire network of entities involved in producing and delivering a product?

- A) Supply Chain**
- B) Profit Margin
- C) Marketing Mix
- D) Market Share

11. What is 'Safety Stock' designed to prevent?

- A) Product obsolescence
- B) Stockouts due to unexpected demand**
- C) Excessive shipping speed
- D) Marketing overhead

12. Which of these is considered a 'raw material' in the production of furniture?

- A) Finished chairs
- B) Lumber**
- C) Price tags
- D) Customer feedback