

CHAPTER ONE QUESTIONS – 21ST-CENTURY SUPPLY CHAINS

- 1-1. What is the primary reason that time to market has decreased over the past two decades:
- A – Improvement in Federal Highways
 - B – Better Sea Ports
 - C – Development of Double Stack Containers
 - D – Information Technology**
- 1-2. A Supply Chain is best described by which of the following:
- A – A group of cooperative carriers
 - B – A group of collaborative companies**
 - C – A formal association of competitive companies
 - D – Two firms who create a strategic alliance
- 1-3. Which of the following best describes an integrative supply chain process:
- A – Something that links together independent parts
 - B – A concept that identifies independent parts
 - C – A conglomeration of functions
 - D – The fusion of critical components of a supply chain**
- 1-4. The concept of postponement:
- A – Involves two organizations working together to delay delivery
 - B – Involves strategic delay of the delivery
 - C – Seeks to reduce the risk of delivery
 - D – Seeks to reduce the risk of anticipation**
- 1-5. Collaboration is the act of:
- A – Sharing secret information
 - B – Working with competitors
 - C – Integrating a supply chain**
 - D – Legal in selected supply chain arrangements
- 1-6. An integrated service supplier (ISP) seeks to:
- A – Provide critical operational functionality in a supply chain**
 - B – Specializes in providing a specialized service
 - C – Typically brings together two otherwise separate functions
 - D – None of the above
- 1-7. The lowest total process cost is:
- A – Always the sum of the lowest cost for each involved function
 - B – Is the lowest cost for each involved function
 - C – May be the lowest cost for each involved function**
 - D – Typically involves careful cost integration

- 1-8. The Anticipatory Business Model is best described by which statement:
A – Driven by forecast**
B – Driven by information technology
C – Builds on the principles of time-based competition
D – Is a low risk strategy
- 1-9. Geographic postponement is characterized by:
A – Timely manufacturing
B – Timely delivery**
C – Timely commitment to design
D – None of the above
- 1-10. Cash-to Cash Conversion:
A – Is typically related to inventory turn**
B – Is related to freight payment
C – Is the time required to convert raw materials into finished inventory
D – Is a measure of manufacturing efficiency
- 1-11. What is dwell time:
A – A key component of system design
B – The ratio of asset idle time to total time required to complete a mission**
C – The total time inventory is waiting to be processed.
D – A key concept in manufacturing efficiency
- 1-12. The internet has increased business-to-business connectivity (False)
- 1-13. Perfect orders are limited to firms committed to integrated supply chain management (False)
- 1-14. Supply Chain Management promotes a network of highly efficient independent businesses (True)
- 1-15. There are eight critical supply chain processes (True)
- a. Collaboration is a fundamental part of Supply Chain Management (True)
 - b. A third party service supplier is also a public warehouse (False)
 - c. Process specialization involves the same concepts as vertical integration (False)
 - d. The principle of postponement is new to the discipline of logistics (False)
 - e. Form and time postponement are fundamentally the same concept (False)
 - f. Geographic postponement is directly linked to dependable delivery (True)
 - g. Cash-to-Cash conversion is an efficiency measurement (False)
 - h. Free cash spin is an important operational measure (False)
 - i. Increased operational responsiveness is directly related to information technology (True)

- j. Enterprise extension is a diversification strategy (False)
- k. Vertical integration and supply chain extension are essentially the same concepts (False)