

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)

Chapter 01 – 21st-Century Supply Chains

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