HCO2 Operations and Supply Chain Management Exam Version 2

Section: Supply Chain & Marketing • **Total Questions:** 10 • **Format:** Verified Q&A

1. A company is transitioning to a system of reduced inventory. What is a benefit of this lean strategy?

(A) Reduced costs
(B) Improved product quality
(C) Faster time to market
(D) Reduced taxation

2. As a step to replace several disconnected internal systems, an organization has installed a core software system to manage and integrate business processes. What is a role of this system in enhancing the organization?

(A) Offer qualitative forecasts.
(B) Manage sales prospects.
(C) Manage supplier contracts.
(D) Facilitate task automation.

3. What is an evidence of a bottleneck?

(A) Frequent changes in production pathways
(B) Inconsistency in production process ×
(C) Insufficient flow of products after a process
(D) A high rate of defects in finished products

4. Which change represents an external force that would be identified in a SWOT analysis?

(A) Change in core competencies
(B) Change in inventory method
(C) Change in consumer lifestyles
(D) Change in facility layout

5. Which facility layout gives the highest product throughput when demand is stable and volume is high?

(A) Fixed-position layout
(B) Process layout
(C) Product layout
(D) Cellular layout

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6. A pharmaceutical company produces several medications. The production of one of the medications is being hindered by a new law prohibiting the transportation of a specific ingredient in amounts greater than 100 liters. Which type of bottleneck exists in this situation?

(A) Regulatory
(B) Financial
(C) Labor
(D) Physical

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7. Which scheduling approach freezes the near-term portion of the master schedule to prevent nervousness?

(A) Rolling schedule
(B) Bucketless schedule
(C) Frozen schedule
(D) Reverse schedule

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8. Which quality-cost category includes final product inspection before shipment?

(A) Prevention costs
(B) Appraisal costs
(C) Internal failure costs
(D) External failure costs

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9. A medical facility calls patients after they have been treated to determine their level of satisfaction. Which cost of quality does this scenario illustrate?

(A) External failure costs
(B) Prevention costs
(C) Appraisal costs
(D) Internal failure costs

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10. Which inventory management model focuses on determining the replenishment quantity at which the replenishment costs and the carrying costs are equal?

(A) Quantity discounts

(B) Economic order quantity

(C) Economic production quantity

(D) Fixed interval