

Supply Chain Digitization (NPTEL)

Assignment 3

1. Which of the following key strategy is achieved through the help of supply chain/operations strategies?
 - a) Government strategy
 - b) Corporate strategy
 - c) Industrial strategy
 - d) Cost/Profit strategy

Ans: Corporate strategy

2. What are the two dimensions of the Kraljic Matrix?
 - a) Service Level, Profit Margin
 - b) Supply Risk, Service Level
 - c) Profit Impact, Supply Risk
 - d) Profit Impact, Lead Time

Ans: Profit Impact, Supply Risk

3. According to Kraljic Matrix segmentation, Bottleneck items have:
 - a) High Supply Risk, Low-Profit Impact
 - b) Low Supply Risk, Low-Profit Impact
 - c) Low Supply Risk, High-Profit Impact
 - d) High Supply Risk, High-Profit Impact

Ans: High Supply Risk, Low-Profit Impact

4. According to the Return on Assets (ROA) diagram, current assets include:
 - a) Inventory
 - b) Demand
 - c) Receivables
 - d) Cash and other current assets

Ans: Inventory, Receivables, Cash and other current assets

5. Which of the following measures can improve the Asset turnover ratio?
 - a) Through improving asset utilization
 - b) Improving the cash-to-cash cycles
 - c) Reducing inventory turnovers
 - d) Maintaining high inventories

Ans: Through improving asset utilization, Improving the cash-to-cash cycles

6. Which of the following are key decisions related to the firm's supply chain strategy?
 - a) Demand, Sourcing, and Operations
 - b) Demand, Operations, and Design
 - c) Design, Operations, and Sourcing
 - d) Demand, Design, and Operations

Ans: Design, Operations, and Sourcing

7. Which procurement strategies can lower the supply risk for the strategic or bottleneck products?
- a) Add more suppliers
 - b) Enable competition among suppliers through bidding
 - c) Adding safety stocks
 - d) Decentralization of purchase decisions

Ans: Add more suppliers, Adding safety stocks

8. Which of the following are used to construct the Kraljic Matrix?
- a) Quantity of products purchased
 - b) Purchase value
 - c) Cost of purchase
 - d) Number of suppliers
 - e) The average distance from suppliers

Ans: Quantity of products purchased, Purchase value, Cost of purchase, Number of suppliers, The average distance from suppliers

9. What procurement strategies can be used to streamline the procurement of non-critical items?
- a) Automation of procurement
 - b) Decentralization of purchase decisions
 - c) Centralization of purchase decisions
 - d) Reducing the number of suppliers

Ans: Automation of procurement, Decentralization of purchase decisions

10. In the Kraljic Matrix, which items have low supply risk and high-profit impact?
- a) Strategic items
 - b) Bottleneck Items
 - c) Non-critical items
 - d) Leverage items

Ans: Leverage items

11. A firm can decide to produce its products/services in-house instead of purchase if:
- a) Products/services are unique and provide a competitive edge
 - b) Cost of making is higher in-house
 - c) Deployment of internal resources is difficult
 - d) Cost purchasing is low

Ans: Products/services are unique and provide a competitive edge

12. Which of the following decisions come under sourcing and procurements?
- a) Design and sequencing of processes
 - b) Make vs. buy decisions, Choice of vendors
 - c) Location, sizing, and layout of facilities
 - d) Channel options-brick & mortar vs. e-commerce

Ans: Make vs. buy decisions, Choice of vendors

13. In the Kraljic matrix, the measure of profit impact can include:

- a) Spend analysis of past procurement
- b) Total cost of purchase
- c) Impact of profitability
- d) Relative location of suppliers

Ans: Total cost of purchase, Impact of profitability

14. In the Kraljic matrix, which of the following is not used to measure the supply risk?

- a) Relative location of suppliers
- b) Number of suppliers
- c) Total cost of purchasing
- d) Substitutes available for the products

Ans: Total cost of purchasing

15. Which of the following measures can improve a firm's net profitability?

- a) Increase the input costs of purchase
- b) Reduce the advertising costs
- c) Reduce the distribution costs
- d) Reduce the selling cost

Ans: Reduce the advertising costs, Reduce the distribution costs