

MICROSOFT CERTIFIED: DYNAMICS 365 SUPPLY CHAIN MANAGEMENT, MANUFACTURING (MB- 320) PRACTICE TEST (SAMPLE) STUDY GUIDE



SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

**VISIT US ONLINE FOR
THE FULL VERSION STUDY GUIDE**

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Introduction

Preparing for a certification exam can feel overwhelming, but with the right tools, it becomes an opportunity to build confidence, sharpen your skills, and move one step closer to your goals. At Examzify, we believe that effective exam preparation isn't just about memorization, it's about understanding the material, identifying knowledge gaps, and building the test-taking strategies that lead to success.

This guide was designed to help you do exactly that.

Whether you're preparing for a licensing exam, professional certification, or entry-level qualification, this book offers structured practice to reinforce key concepts. You'll find a wide range of multiple-choice questions, each followed by clear explanations to help you understand not just the right answer, but why it's correct.

The content in this guide is based on real-world exam objectives and aligned with the types of questions and topics commonly found on official tests. It's ideal for learners who want to:

- Practice answering questions under realistic conditions,
- Improve accuracy and speed,
- Review explanations to strengthen weak areas, and
- Approach the exam with greater confidence.

We recommend using this book not as a stand-alone study tool, but alongside other resources like flashcards, textbooks, or hands-on training. For best results, we recommend working through each question, reflecting on the explanation provided, and revisiting the topics that challenge you most.

Remember: successful test preparation isn't about getting every question right the first time, it's about learning from your mistakes and improving over time. Stay focused, trust the process, and know that every page you turn brings you closer to success.

Let's begin.

How to Use This Guide

This guide is designed to help you study more effectively and approach your exam with confidence. Whether you're reviewing for the first time or doing a final refresh, here's how to get the most out of your Examzify study guide:

1. Start with a Diagnostic Review

Skim through the questions to get a sense of what you know and what you need to focus on. Your goal is to identify knowledge gaps early.

2. Study in Short, Focused Sessions

Break your study time into manageable blocks (e.g. 30 – 45 minutes). Review a handful of questions, reflect on the explanations.

3. Learn from the Explanations

After answering a question, always read the explanation, even if you got it right. It reinforces key points, corrects misunderstandings, and teaches subtle distinctions between similar answers.

4. Track Your Progress

Use bookmarks or notes (if reading digitally) to mark difficult questions. Revisit these regularly and track improvements over time.

5. Simulate the Real Exam

Once you're comfortable, try taking a full set of questions without pausing. Set a timer and simulate test-day conditions to build confidence and time management skills.

6. Repeat and Review

Don't just study once, repetition builds retention. Re-attempt questions after a few days and revisit explanations to reinforce learning. Pair this guide with other Examzify tools like flashcards, and digital practice tests to strengthen your preparation across formats.

There's no single right way to study, but consistent, thoughtful effort always wins. Use this guide flexibly, adapt the tips above to fit your pace and learning style. You've got this!

Questions

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- 1. How can Dynamics 365 automate order fulfillment processes?**
 - A. By using manual entry methods
 - B. By defining rules and workflows for picking and shipping
 - C. By limiting order quantities
 - D. By segmenting orders by region
- 2. When setting up Flexible reservation for batch tracked items, which dimension must you select for Allow reservation?**
 - A. Site
 - B. Warehouse
 - C. Inventory status
 - D. Batch number
- 3. Which one of the following product types should you select if you want to create a product to quantify hourly work?**
 - A. Service
 - B. Product master
 - C. Product variant
 - D. Item
- 4. What is the primary purpose of appointment scheduling in supply chain management?**
 - A. Item picking and staging
 - B. Driver check-in and check-out
 - C. Warehouse receiving
 - D. Documenting customer orders
- 5. What information do vendors provide in response to an RFQ?**
 - A. Pricing and delivery times
 - B. Terms and conditions of a contract
 - C. Projected sales forecasts
 - D. Market research data

- 6. Which status indicates that a purchase order is still under review?**
- A. Created
 - B. Confirmed
 - C. Submitted
 - D. In review
- 7. What does the Inventory Management module utilize to automate stock replenishment?**
- A. Real-time stock checking
 - B. Min/max inventory levels
 - C. Supplier lead time predictions
 - D. Customer demand forecasts
- 8. What must you do to use the warehouse management processes and apply a reservation hierarchy?**
- A. Set up a storage dimension group.
 - B. Set up a storage dimension group and at least one storage dimension.
 - C. Set up a storage dimension.
 - D. Set up a reservation group.
- 9. What is typically included in an RFQ besides item quantities?**
- A. Shipping costs and discounts for large orders
 - B. A summary of past purchases
 - C. Vendor ratings and feedback
 - D. Information about competing bids
- 10. Which location type is typically used for receiving incoming items before they are stored?**
- A. Picking location
 - B. Inspection location
 - C. Bulk location
 - D. Inbound dock

Answers

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1. B
2. D
3. A
4. B
5. A
6. D
7. B
8. B
9. A
10. D

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Explanations

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1. How can Dynamics 365 automate order fulfillment processes?

- A. By using manual entry methods
- B. By defining rules and workflows for picking and shipping**
- C. By limiting order quantities
- D. By segmenting orders by region

Dynamics 365 automates order fulfillment processes by defining rules and workflows for picking and shipping. This automation leverages advanced features that enable organizations to streamline their operations, reduce human error, and enhance efficiency. When rules and workflows are established within Dynamics 365, the system can automatically determine the best picking routes and methods based on order details, inventory availability, and shipping logistics. For instance, it can suggest optimal picking paths in a warehouse or trigger shipping methods based on delivery timelines and costs. This results in faster processing times and more accurate fulfillment of customer orders, directly impacting customer satisfaction positively. The other choices do not contribute to effective automation as they either rely on manual processes or do not address workflow efficiency. Manual entry methods can introduce errors and slow down the fulfillment process, while limiting order quantities does not automate any processes and could impede business flexibility. Segmenting orders by region might help in organizing logistics but does not inherently automate the picking and shipping operations critical for swift fulfillment.

2. When setting up Flexible reservation for batch tracked items, which dimension must you select for Allow reservation?

- A. Site
- B. Warehouse
- C. Inventory status
- D. Batch number**

When setting up Flexible reservation for batch tracked items in Dynamics 365 Supply Chain Management, selecting the batch number as the dimension for Allow reservation is crucial. This is because batch numbers are specifically tied to individual quantities of items with distinct characteristics, such as production date, expiration date, or quality. By allowing reservations at the batch number level, the system ensures that inventory management and order fulfillment can be accurately tracked based on the specific attributes of each batch. Each batch can have unique conditions or statuses that affect its usability in sales orders or production, making it essential to reserve items based on their batch identifiers. By doing so, organizations can improve traceability, comply with regulatory requirements, and manage inventory more effectively by ensuring that the correct batch is allocated to the right order or production process. Other dimensions, such as site or warehouse, are important for overall inventory management but do not provide the granularity needed for items tracked by batches. Meanwhile, inventory status influences the usability of inventory but does not directly handle the reservation at the batch level. Thus, focusing on the batch number as the dimension for Flexible reservation aligns with best practices for effectively managing batch tracked items in the supply chain.

3. Which one of the following product types should you select if you want to create a product to quantify hourly work?

- A. Service**
- B. Product master
- C. Product variant
- D. Item

Selecting a service product type is appropriate when you want to quantify hourly work because service products in Dynamics 365 are specifically designed to represent activities or tasks that can be billed on an hourly basis, such as consulting or maintenance services. This type allows businesses to track the time spent on specific tasks and charge customers accordingly, effectively managing labor costs and billing processes. Service products enable the organization to define service-related attributes, such as service categorization and pricing structures based on time spent. This approach helps in handling ongoing projects or contracted services where hours worked must be recorded, analyzed, and invoiced to clients. In contrast, the other options do not align with the need to quantify hourly work. A product master typically relates to physical goods that have a defined inventory management process, product variants deal with items that have variations (such as size or color) under a single product, and items are an overarching category encompassing products or goods but not specifically designed for the hourly tracking of services.

4. What is the primary purpose of appointment scheduling in supply chain management?

- A. Item picking and staging
- B. Driver check-in and check-out**
- C. Warehouse receiving
- D. Documenting customer orders

Appointment scheduling in supply chain management primarily serves to facilitate the efficient management of logistics, particularly in the context of transportation and warehouse operations. The core purpose of this process is to manage the time and flow of trucks and shipments arriving and departing at warehouses or distribution centers. By scheduling appointments for driver check-in and check-out, companies can optimize their dock usage, reduce wait times, and improve overall turnaround times for deliveries and pickups. This helps to ensure that loading and unloading processes are streamlined, which is crucial in maintaining an efficient supply chain and avoiding bottlenecks. As trucks arrive and depart as per scheduled appointments, warehouses can anticipate and manage their resource allocation more effectively, leading to reduced idle time and enhanced productivity. The other options refer to different processes within supply chain and warehouse management but do not capture the specific aim of appointment scheduling as precisely. Item picking and staging deals with preparing orders for shipment, warehouse receiving focuses on incoming goods and their processing, and documenting customer orders pertains to capturing sales information but does not directly relate to the scheduling of arrivals and departures of transportation vehicles.

5. What information do vendors provide in response to an RFQ?

- A. Pricing and delivery times
- B. Terms and conditions of a contract
- C. Projected sales forecasts
- D. Market research data

When vendors respond to a Request for Quotation (RFQ), they primarily provide information about pricing and delivery times. This is a crucial aspect of the procurement process, as organizations use RFQs to solicit competitive bids from suppliers to ensure they receive the best possible prices and terms. Vendors outline the costs associated with the products or services they are offering, alongside the timelines for delivery. This information enables the purchasing organization to compare offers from different suppliers and make informed decisions regarding which vendor to select based on their pricing strategies and ability to meet delivery schedules. Other options, while potentially relevant in different contexts, do not typically form the core content of an RFQ response. Terms and conditions are usually discussed after a vendor is selected, projected sales forecasts pertain more to the vendor's internal strategy and performance projections, and market research data is not something vendors generally share in response to an RFQ. Thus, pricing and delivery times are the essential factors being communicated in these scenarios.

6. Which status indicates that a purchase order is still under review?

- A. Created
- B. Confirmed
- C. Submitted
- D. In review

The status indicating that a purchase order is still under review is "In review." This status specifically signifies that the purchase order has not yet been finalized or approved and is going through a necessary evaluation process. This stage is crucial as it allows stakeholders to assess the details of the order, such as pricing, quantities, and supplier information, before proceeding to the next steps like confirmation or execution of the order. In contrast, the other statuses such as "Created" indicate that the order exists but may not yet be actively reviewed or processed. "Confirmed" signifies that the purchase order has been approved and is ready for processing, whereas "Submitted" often implies that the purchase order has been sent for approval but does not explicitly indicate that it is under active review. Therefore, "In review" is the most accurate descriptor for a purchase order that is still undergoing evaluation.

7. What does the Inventory Management module utilize to automate stock replenishment?

- A. Real-time stock checking
- B. Min/max inventory levels**
- C. Supplier lead time predictions
- D. Customer demand forecasts

The Inventory Management module utilizes min/max inventory levels to automate stock replenishment effectively. This approach establishes predefined thresholds for inventory levels, which helps ensure that stock is maintained at optimal levels. When the inventory falls below the minimum threshold, the system triggers automated replenishment actions to reorder stock, thereby preventing stockouts and ensuring that there is always enough inventory available to meet demand. Min/max levels are critical for balancing inventory costs with service levels. They allow organizations to maintain a steady flow of stock by aligning the reorder points with actual consumption patterns, thus streamlining the replenishment process while minimizing excess inventory. The other options, while relevant to inventory management strategies, do not serve as the primary mechanism for automating stock replenishment in this context. Real-time stock checking provides visibility into current inventory status, but it does not inherently trigger automated actions. Supplier lead time predictions and customer demand forecasts are important for planning and decision-making but do not specifically define the automated replenishment process governed by min/max settings.

8. What must you do to use the warehouse management processes and apply a reservation hierarchy?

- A. Set up a storage dimension group.
- B. Set up a storage dimension group and at least one storage dimension.**
- C. Set up a storage dimension.
- D. Set up a reservation group.

To utilize warehouse management processes and apply a reservation hierarchy effectively, it is essential to set up both a storage dimension group and at least one storage dimension. A storage dimension group is a key configuration in Dynamics 365 Supply Chain Management as it defines how inventory is organized and managed within the warehouse. It includes various dimensions such as location, batch, and pallet, which are fundamental for effective inventory control and for executing warehouse processes efficiently. In addition to the storage dimension group, having at least one storage dimension is necessary to specify and categorize items within the warehouse. This is crucial because it allows the system to understand and manage inventory at a more granular level, enabling features such as reservations to be accurately applied and managed based on the defined hierarchy. Together, these components establish a solid foundation for managing inventory and applying reservation hierarchies within warehouse management processes. Simply setting up a storage dimension group or just a storage dimension alone would not provide the comprehensive framework required for effective warehouse management.

9. What is typically included in an RFQ besides item quantities?

A. Shipping costs and discounts for large orders

B. A summary of past purchases

C. Vendor ratings and feedback

D. Information about competing bids

An RFQ, or Request for Quotation, is a document that a buyer sends to potential suppliers to request pricing and terms for specific goods or services. It typically includes several key components in addition to item quantities. The correct answer highlights that shipping costs and discounts for large orders are integral in an RFQ, as they provide suppliers with essential information to calculate the total cost of the goods or services being offered. Including shipping costs in an RFQ allows the buyer to understand the overall expense involved in procuring the items, ensuring that financial planning reflects both the product cost and the logistics associated with delivery. Furthermore, offering discounts for large orders can incentivize suppliers to provide better pricing based on the volume requested, ultimately benefiting the buyer with cost savings. Other options, while relevant in the procurement process, might not be standard inclusions in an RFQ. A summary of past purchases may provide context for the buyer's needs but doesn't typically influence the price quoting process directly. Vendor ratings and feedback are more relevant for supplier selection rather than for the RFQ itself. Information about competing bids is usually not shared in an RFQ context, as it pertains to maintaining confidentiality and competitiveness in supplier negotiations. Thus, shipping costs and volume discounts are fundamental elements that influence a

10. Which location type is typically used for receiving incoming items before they are stored?

A. Picking location

B. Inspection location

C. Bulk location

D. Inbound dock

The inbound dock is specifically designated for receiving incoming items before they are stored in the warehouse. This location serves as the first point of entry for goods delivered by suppliers. Once items arrive at the inbound dock, they can undergo necessary checks, such as verification against purchase orders, quality inspections, and other assessments to ensure they meet company standards before being moved to storage locations. This process helps to streamline the receiving operations and ensures that items are properly accounted for before being placed into inventory. In contrast, while bulk locations are used for storing large quantities of items once they have been received, and inspection locations may be utilized for evaluating the quality and condition of items, neither serves the primary function of handling items as they first arrive. Picking locations are typically organized for items that are regularly dispatched to fulfill customer orders, rather than for the initial reception of goods. Thus, the inbound dock is the most appropriate choice for receiving incoming items.

Next Steps

Congratulations on reaching the final section of this guide. You've taken a meaningful step toward passing your certification exam and advancing your career.

As you continue preparing, remember that consistent practice, review, and self-reflection are key to success. Make time to revisit difficult topics, simulate exam conditions, and track your progress along the way.

If you need help, have suggestions, or want to share feedback, we'd love to hear from you. Reach out to our team at hello@examzify.com.

Or visit your dedicated course page for more study tools and resources:

<https://microsoftcertifiedmb320.examzify.com>

We wish you the very best on your exam journey. You've got this!

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