SAP MATERIALS MANAGEMENT (MM) PRACTICE EXAM (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

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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

1. **Which of the following can be included in the parameters for movement type customization?**
   - A. Allowed stock types for the movement.
   - B. Reason codes for material movements.
   - C. Data processing timelines for inventory assessments.
   - D. Account entries related to the movement type.

2. **When the procurement process is without a material master in SAP Materials Management, which configuration element do you assign to the valuation class?**
   - A. Item category
   - B. Material group
   - C. Valuation area
   - D. Material type

3. **Which info regarding contracts can you get directly from analytical SAP Fiori apps?**
   - A. Unapproved contracts
   - B. Low value contracts
   - C. Expiring contracts
   - D. Unused contracts

4. **For a material subject to split valuation, at which level is the price control moving average set in SAP Material Management?**
   - A. Account modification
   - B. Account group
   - C. Valuation area
   - D. Valuation group

5. **During MRP, which is crucial for managing material shortages?**
   - A. Optimization of stock levels
   - B. Maintenance of supplier relationships
   - C. Evaluation of safety stock levels
   - D. Coordination of production schedules

6. **What is the role of a service master record in relation to a service specification in SAP Materials Management?**

A. Service master records provide data for service specifications

B. Service specifications confirm service catalog activities

C. Service specification describes service master record's structure

D. Service specifications are used in purchase requisitions

7. **Which stock types can you post a goods receipt without referencing a purchase order or production order?**

A. Quality inspection stock

B. Nonvaluated GR blocked stock

C. Valuated GR blocked stock

D. Unrestricted-use stock

8. **What benefit does a streamlined Procure to Pay process provide?**

A. Reduction in procurement cycle times

B. Increased manual intervention requirements

C. Decreased supplier touchpoints

D. No emphasis on compliance

9. **For reservations with a due date in the past to be deleted automatically, what must be defined at the plant level?**

A. Goods movements for the reservation items must be allowed

B. The ATP check for the reservation has to be executed

C. The reservation was initially created automatically by the system

D. A retention period for reservation items must be defined

10. **For which of the following transactions can the source of supply be determined automatically?**

A. Create reservation

B. Create purchase order, vendor known

C. Create purchase order, vendor unknown

D. Create purchase requisition

Answers

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

Explanations

1. Which of the following can be included in the parameters for movement type customization?

A. Allowed stock types for the movement.

B. Reason codes for material movements.

C. Data processing timelines for inventory assessments.

D. Account entries related to the movement type.

The correct answer highlights the relationship between movement types and financial accounting within the SAP Materials Management module. Movement types in SAP are crucial for managing inventory changes, and each type is associated with specific accounting implications. The account entries related to the movement type specify which general ledger accounts will be affected when a movement is executed. For example, when inventory is received or issued, the corresponding financial transactions must be recorded in the appropriate accounts to reflect changes in inventory levels and costs. This ensures that inventory management is aligned with financial accounting, maintaining accurate records in both areas. While there may be other parameters such as allowed stock types or reason codes for movements, these focus more on the operational side and do not directly tie into the financial accounting aspect as account entries do. This makes account entries a critical aspect of movement type customization, impacting how transactions are recorded in the system.

2. When the procurement process is without a material master in SAP Materials Management, which configuration element do you assign to the valuation class?

A. Item category

B. Material group

C. Valuation area

D. Material type

In scenarios where the procurement process occurs without a material master, the valuation class is tied to the material group. The valuation class is a critical configuration element in SAP that determines how the system handles the accounting and inventory valuation of materials. When a material master is not available, SAP allows the organization to categorize materials using the material group, which serves as a higher-level classification. The valuation class associated with the material group defines how the costs related to goods movements and inventory of these items are managed in the financial accounting module. By assigning the valuation class to the material group rather than to a material master record, businesses can maintain consistent accounting treatment for different types of materials that fall into the same group, ensuring streamlined financial processes even without detailed material master information at hand. This functionality is particularly useful in situations where purchasing processes are initiated for materials that do not regularly have master records maintained, such as one-time purchases or consumable goods. Other elements, like item category and material type, play roles in defining the procurement process and item behavior, but they do not serve the same purpose in relation to valuation class assignment in this context. Valuation area relates to the organizational structure but is not assigned directly to the valuation class in the absence of a material master.

3. Which info regarding contracts can you get directly from analytical SAP Fiori apps?

A. Unapproved contracts

B. Low value contracts

C. Expiring contracts

D. Unused contracts

The analytical SAP Fiori apps are designed to provide insights and analytics related to procurement and contract management. The correct option, which refers to expiring contracts, aligns with one of the primary functions of these apps. The capability to monitor expiring contracts is crucial for effective contract management, as it allows organizations to proactively manage renewals, renegotiations, and compliance with contract terms, thereby avoiding service interruptions or lapsing agreements. The design of these Fiori apps focuses on providing users with actionable insights, enabling stakeholders to stay informed about upcoming expirations and take necessary actions, such as evaluation or renegotiation of terms. This aids in strategic planning and ensures that businesses maintain continuity in their procurement processes. While unapproved contracts, low value contracts, and unused contracts are important for overall contract management, they are typically not the primary focus of analytics in Fiori apps. The analytical capabilities are more geared towards highlighting significant contracts with impending deadlines, making expiring contracts the most relevant choice in the context of this question.

4. For a material subject to split valuation, at which level is the price control moving average set in SAP Material Management?

A. Account modification

B. Account group

C. Valuation area

D. Valuation group

The price control for a material subject to split valuation is set at the valuation area level in SAP Materials Management. The valuation area typically corresponds to a plant or a company code and is the organizational level at which inventory valuation and accounting take place. When split valuation is enabled for a material, it allows for different valuated stock types within the same material, such as differentiated stock based on criteria like condition or quality. Each of these stock types can have its own price and valuation method. By defining the price control at the valuation area level, SAP ensures accurate financial accounting, as it allows for the treatment of the various stock types independently. This setup is critical because different stock types may be acquired or manufactured under different conditions, leading to variations in pricing and valuation. For instance, the price for a specific quality of material may differ from that of a scrap or defective quality. Thus, the valuation area being the level at which the price control is applied enables appropriate tracking and management of costs associated with different stock types in the system.

5. During MRP, which is crucial for managing material shortages?

A. Optimization of stock levels

B. Maintenance of supplier relationships

C. Evaluation of safety stock levels

D. Coordination of production schedules

The correct answer relates to the optimization of stock levels, which is essential for managing material shortages during Material Requirements Planning (MRP). MRP systems rely on accurate forecasts and inventory management to ensure that the right materials are available in the right quantities at the right time. By optimizing stock levels, organizations can maintain a balance that minimizes both excess inventory and shortages. This leads to improved productivity and efficiency in operations, enabling a more responsive supply chain. Optimizing stock levels involves analyzing demand patterns, lead times, and production schedules to determine the optimal amount of safety stock needed. This proactive approach helps prevent situations where materials run out before they can be replenished, which can disrupt production processes and lead to monetary losses. While other options address important aspects of supply chain management—such as supplier relationships, safety stock evaluations, and production coordination—they do not focus specifically on the critical function of stock level optimization, which directly impacts material availability and helps mitigate shortages during MRP activities.

6. What is the role of a service master record in relation to a service specification in SAP Materials Management?

A. Service master records provide data for service specifications

B. Service specifications confirm service catalog activities

C. Service specification describes service master record's structure

D. Service specifications are used in purchase requisitions

A service master record plays a fundamental role in SAP Materials Management by providing key data for service specifications. Service specifications are essentially descriptions that outline what services are to be provided and their associated details. These specifications serve as the framework within which the service master record operates. In practice, the service master record contains vital information such as the type of service, measurement units, procurement type, and pricing details, all of which are necessary to accurately represent the services defined in service specifications. When creating or managing service specifications, the data pulled from the service master record helps ensure consistency, compliance, and clarity in the services being offered or procured. The connection between a service master record and service specifications is critical for effective service management within the system. This relationship ensures that procurement processes have the correct parameters and structured data to facilitate accurate service logistics, thereby enhancing operational efficiency in managing services from vendors.

7. Which stock types can you post a goods receipt without referencing a purchase order or production order?

A. Quality inspection stock

B. Nonvaluated GR blocked stock

C. Valuated GR blocked stock

D. Unrestricted-use stock

When posting a goods receipt without referencing a purchase order or production order, quality inspection stock is a valid stock type that allows for such a transaction. Quality inspection stock is used for materials that are being checked before they can be released for inventory use. This stock type provides flexibility in managing materials that require quality control before they are deemed suitable for production or sale. In SAP Materials Management, quality inspection stock can be accepted without a predefined order because it reflects a situation where materials have arrived and are under inspection. If they pass inspection, they can then be moved to unrestricted-use stock. The other stock types mentioned have restrictions that necessitate reference to a purchase or production order for goods receipt postings. Nonvaluated GR blocked stock and valuated GR blocked stock are primarily used for goods that cannot be used until they are cleared either through inspection or for accounting purposes. Lastly, unrestricted-use stock is available for use immediately and is also typically linked to a purchase order or production order, thus cannot be posted without those references.

8. What benefit does a streamlined Procure to Pay process provide?

A. Reduction in procurement cycle times

B. Increased manual intervention requirements

C. Decreased supplier touchpoints

D. No emphasis on compliance

A streamlined Procure to Pay (P2P) process significantly reduces procurement cycle times. This efficiency is achieved through automation and optimized workflows that eliminate redundant steps, reduce paperwork, and expedite communication between various departments and with suppliers. In a streamlined P2P process, activities such as requisitioning, ordering, receipt of goods, and invoicing are interconnected seamlessly, allowing organizations to respond more quickly to their needs and make purchasing decisions faster. Faster procurement leads to better cash flow management, as companies can acquire necessary goods and services more promptly, without unnecessary delays. It also enhances supplier relationships, as suppliers are more likely to appreciate a quick and efficient order process. As a result, businesses can maintain a competitive edge and improve their overall operational efficiency. In contrast, increased manual intervention requirements would typically lead to longer cycle times, while decreased supplier touchpoints might actually suggest reduced communication and relationship management. An approach with no emphasis on compliance can lead to risks and inconsistencies, counteracting the purpose of a streamlined process.

9. For reservations with a due date in the past to be deleted automatically, what must be defined at the plant level?

A. Goods movements for the reservation items must be allowed

B. The ATP check for the reservation has to be executed

C. The reservation was initially created automatically by the system

D. A retention period for reservation items must be defined

For reservations with a due date in the past to be deleted automatically, a retention period for reservation items must be defined at the plant level. This retention period specifies the length of time that a reservation can remain active before it's considered obsolete and can be automatically removed by the system. Defining this retention period helps maintain the accuracy and efficiency of inventory management by ensuring that outdated reservations do not clutter the system and pose a risk of misleading inventory levels. When this setting is configured, the system regularly evaluates reservations, and those past their defined retention period will be processed for deletion, thus ensuring that the reservation records reflect current and relevant data. Without establishing a specific retention period, the system lacks guidance on when to consider past reservations for deletion, potentially leading to confusion and inefficiencies in inventory management practices.

10. For which of the following transactions can the source of supply be determined automatically?

A. Create reservation

B. Create purchase order, vendor known

C. Create purchase order, vendor unknown

D. Create purchase requisition

In the context of SAP Materials Management, the determination of the source of supply relates to how the system identifies potential vendors or suppliers to fulfill a procurement need. When creating a purchase order with an unknown vendor, SAP can utilize various criteria and regulations set within the enterprise's procurement process to automatically suggest sources of supply. This could involve checking the existing material master data, vendor master records, contract agreements, and other relevant procurement information. Thus, the system can suggest the most suitable vendors based on predefined parameters without requiring prior knowledge of which vendor will be used. Creating a purchase order with a known vendor typically does not involve automatic determination, as the vendor is already specified. Likewise, while creating a reservation or a purchase requisition, the focus tends to be on managing inventory and requesting materials, rather than automatically suggesting suppliers. Therefore, the ability to automatically determine a source of supply is best exemplified in situations where the vendor is not predetermined, allowing the system to search for and suggest potential vendors based on the criteria available.

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://sapmm.examzify.com

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