TAITT SUPPLY CHAIN MANAGEMENT (SCM) EXAM 2 PRACTICE (SAMPLE)

STUDY GUIDE

SAMPLE STUDY GUIDE WITH LIMITED QUESTIONS

Notice: Examzify makes every reasonable effort to obtain accurate, complete, and timely information about this product from reliable sources.

Table of Contents

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 document solicits bids from interested and qualified suppliers for goods or services that an organization needs to obtain?**
   A. Request for Proposal (RFP)
   B. Request for Quote (RFQ)
   C. Request for Information (RFI)
   D. Purchase Order (PO)

2. **Which concept describes supplier reps embedded in the buyer's purchasing group to increase communication speed?**
   A. Supplier Co-Location
   B. Co-Managed Inventory (CMI)
   C. Vendor-Managed Inventory (VMI)
   D. Corporate Social Responsibility (CSR)

3. **Six Sigma is best described as which of the following?**
   A. A rigorous statistical analysis process that reduces defects
   B. A brand-new product development phase
   C. A quality control policy for suppliers
   D. A marketing quality standard

4. **Which management philosophy eliminates non-value-added activities and aims to reduce costs and improve quality?**
   A. LEAN
   B. JIT
   C. TPS
   D. ECR

5. **Which role is primarily responsible for fostering cooperation and rewarding employees who adopt LEAN practices?**
   A. Role of Management
   B. Role of Workers
   C. Role of Suppliers
   D. Quality Assurance

6. Which term corresponds to the process to collect written info on capabilities of various suppliers?

A. Contracting

B. Request for Information (RFI)

C. Purchase Requisition

D. Purchase Order

7. Which combination is cited as drivers of strategic sourcing?

A. Improve financial performance, increase customer focus, reduce waste and lead time

B. Reduce costs alone

C. Expand supplier base without regard to quality

D. Increase lead times to ensure quality

8. Which option would NOT be considered a goal for purchasing?

A. Uninterrupted flow at lowest total cost

B. Improve quality of finished goods

C. Optimize customer satisfaction

D. Increase supplier lead times

9. What is the term for the practice of business ethics by a corporation?

A. Corporate Social Responsibility (CSR)

B. Utilitarianism

C. Rights and Duties

D. Ethical Sourcing

10. In sourcing strategies, what does the term "Single Source" describe?

A. Purchasing from a single supplier

B. Purchasing from multiple suppliers

C. Outsourcing to a third party

D. Insourcing to internal teams

Answers

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

Explanations

1. Which document solicits bids from interested and qualified suppliers for goods or services that an organization needs to obtain?

A. Request for Proposal (RFP)

B. Request for Quote (RFQ)

C. Request for Information (RFI)

D. Purchase Order (PO)

Soliciting competitive bids from qualified suppliers is typically done with a Request for Quote. This document invites interested suppliers to submit price quotes for clearly defined goods or services, along with terms and delivery details. It's used when the organization has well-defined requirements and price is the primary factor in selecting a supplier. Compare this to other documents: a Request for Proposal asks suppliers to outline their approach, technical solution, and qualifications for a project, often evaluating value beyond price. A Request for Information is an early-stage inquiry to gather general capabilities and market options without soliciting formal bids. A Purchase Order is the actual order issued after a supplier is chosen, confirming quantities, prices, and delivery details.

2. Which concept describes supplier reps embedded in the buyer's purchasing group to increase communication speed?

A. Supplier Co-Location

B. Co-Managed Inventory (CMI)

C. Vendor-Managed Inventory (VMI)

D. Corporate Social Responsibility (CSR)

The concept being tested is supplier co-location—placing supplier representatives inside the buyer's purchasing group so they can participate directly in daily planning and decision-making. This arrangement speeds communication because questions, approvals, and problem-solving can happen in real time, without waiting for formal handoffs or email chains. With reps embedded with the buyer, there's better visibility into demand, constraints, and timelines, which leads to faster responses and fewer miscommunications. Vendor-Managed Inventory involves the supplier taking responsibility for maintaining inventory levels at the buyer's site, focusing on replenishment rather than the presence of supplier staff within the purchasing team. Co-Managed Inventory is a joint ownership approach to inventory management, again centered on collaboration over stock levels rather than embedding supplier personnel. Corporate Social Responsibility deals with ethical, environmental, and social practices and has no direct role in embedding supplier representatives to speed up communication.

3. Six Sigma is best described as which of the following?

A. A rigorous statistical analysis process that reduces defects

B. A brand-new product development phase

C. A quality control policy for suppliers

D. A marketing quality standard

Six Sigma is a rigorous, data-driven approach to improving processes by reducing variation and defects. It relies on statistical analysis to identify root causes, measure performance, and implement improvements in a structured way (often through the DMAIC cycle: Define, Measure, Analyze, Improve, Control). The aim is near-perfect process performance, typically framed as a few defects per million opportunities. This makes it a broad methodology for process and quality improvement, not a brand-new product development phase, not a supplier quality policy, and not a marketing quality standard. The emphasis on data, statistics, and systematic reduction of defects across processes is what sets it apart.

4. Which management philosophy eliminates non-value-added activities and aims to reduce costs and improve quality?

A. LEAN

B. JIT

C. TPS

D. ECR

Lean is the approach that focuses on removing waste from processes—anything that doesn't add value for the customer. By systematically identifying and eliminating non-value-added activities, a firm can cut costs and improve quality. It uses tools like value-stream mapping to see the whole process, establishes standard work to reduce variation, and drives a culture of continuous improvement (kaizen) to keep refining operations. The result is smoother flow and pull-based production, which lowers inventory and defects while boosting efficiency. While Just-In-Time emphasizes timing and inventory, and the Toyota Production System inspired Lean, Lean itself is the overarching philosophy that directly targets waste elimination to reduce costs and improve quality.

5. Which role is primarily responsible for fostering cooperation and rewarding employees who adopt LEAN practices?

A. Role of Management

B. Role of Workers

C. Role of Suppliers

D. Quality Assurance

The main idea is that leadership sets the environment that makes cooperation natural and incentives meaningful. Management shapes the culture and the system: they define goals, allocate resources, remove barriers, and design rewards that reinforce Lean behaviors. When leaders actively back cross-functional teamwork, provide time and tools for improvement, and recognize successful Lean initiatives, employees are more likely to collaborate and adopt Lean practices. This ongoing support from the top is what sustains Lean adoption, whereas relying mainly on workers, suppliers, or QA alone wouldn't create the same pervasive, lasting motivation.

6. Which term corresponds to the process to collect written info on capabilities of various suppliers?

A. Contracting

B. Request for Information (RFI)

C. Purchase Requisition

D. Purchase Order

Collecting written information on supplier capabilities is done with a Request for Information. An RFI is sent to multiple potential suppliers to gather standardized details about what they can offer, their qualifications, capacities, and general approach. This is a preliminary, non-binding step that helps you screen options and decide whom to invite for more detailed requests (like an RFP or RFQ). The other terms correspond to different stages: contracting is finalizing terms and formalizing an agreement; a purchase requisition is an internal request to obtain goods or services; a purchase order is the actual order issued to a supplier once terms are settled. So, the process described is an RFI.

7. Which combination is cited as drivers of strategic sourcing?

A. Improve financial performance, increase customer focus, reduce waste and lead time

B. Reduce costs alone

C. Expand supplier base without regard to quality

D. Increase lead times to ensure quality

Strategic sourcing aims to create value by aligning procurement decisions with overall business goals—not just chasing lower price, but also enhancing performance, quality, and speed across the supply chain. The drivers cited—improving financial performance, increasing customer focus, and reducing waste and lead times—embody this broader objective. They address cost efficiency while boosting value delivered to customers and streamlining operations, leading to better profitability, service levels, and responsiveness. Reducing costs alone misses other important elements like quality, delivery, and customer satisfaction. Expanding the supplier base without regard to quality introduces risk and can undermine performance, since more suppliers isn't inherently better if they don't meet requirements. Increasing lead times to ensure quality runs counter to the goal of a responsive supply chain, where shorter and more predictable lead times often support better service and competitiveness. So, the combination that includes financial performance, customer focus, and lean efficiency best represents what drives strategic sourcing.

8. Which option would NOT be considered a goal for purchasing?

A. Uninterrupted flow at lowest total cost

B. Improve quality of finished goods

C. Optimize customer satisfaction

D. Increase supplier lead times

In purchasing, the aim is to keep the supply chain flowing smoothly while controlling costs, improving quality, and meeting customer expectations. Increasing supplier lead times would not fit this aim because longer lead times slow down the entire supply process, raise carrying costs, increase the risk of stockouts, and reduce responsiveness to demand. All the other options reflect true goals: maintaining an uninterrupted flow at the lowest total cost focuses on reliability and efficiency; improving the quality of finished goods targets better outcomes for customers; and optimizing customer satisfaction centers on reliable delivery and service levels.

9. What is the term for the practice of business ethics by a corporation?

A. Corporate Social Responsibility (CSR)

B. Utilitarianism

C. Rights and Duties

D. Ethical Sourcing

The term that describes how a company blends ethics into its operations and responsibilities to society is Corporate Social Responsibility. CSR means going beyond just making a profit and legal compliance to consider the impacts on stakeholders—employees, customers, communities, and the environment—through ethical practices, sustainable operations, transparent governance, and social engagement. Utilitarianism is a moral theory that weighs actions by their overall happiness or welfare outcome, not a specific corporate practice. Rights and Duties refers to a deontological framework focused on rights and obligations, not a business-label term. Ethical Sourcing concerns choosing suppliers who meet certain ethical standards, and while it fits under CSR, it's a specific aspect rather than the whole approach.

10. In sourcing strategies, what does the term "Single Source" describe?

- A. Purchasing from a single supplier
- B. Purchasing from multiple suppliers
- C. Outsourcing to a third party
- D. Insourcing to internal teams

Single Source describes obtaining a required item or service from one supplier only. The main advantage is simplification: a single point of contact, unified terms, easier coordination, and often stronger collaboration that can lead to better quality, faster issue resolution, and favorable pricing through committed volumes or longer-term agreements. The trade-off is increased risk: if that supplier faces a disruption, there's no immediate alternative readily available. This approach is chosen when the benefits of a close, committed partnership and predictable supply outweigh the risks, or when the item is highly specialized and effectively available from only one vendor. It is not about buying from multiple suppliers, outsourcing to another company, or bringing the work inside your own organization.

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://taittscm2.examzify.com

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