The following worksheets are supplemental materials within the CPSM Instructor Courseware. You may utilize the worksheets to condense key information on Competencies or Tasks.
CPSM Exam 2
Supply Management
Integration
Task 2-A-1

- Define standardization and simplification

- Describe advantages and disadvantages of standardization and simplification

- Discuss procedures/steps in applying standardization and simplification
Task 2-A-1

- Identify some applications for standardization and simplification

- What are some sources of standards?
Task 2-A-2

- Describe and distinguish among MRP, MRP II, ERP and ERP II

- Identify 3-5 add-on modules for ERP

- List 3 considerations in sharing information

- Define the 6 phases of a system development life cycle (SDLC)
Task 2-A-3

- Discuss various methods for replenishing inventory

- Define flow manufacturing and level scheduling

- Identify the goal, process for and benefits of package optimization

- Describe the bull-whip effect and explain how to minimize it

- How are sales forecasts and implementation schedule techniques used for capacity utilization?
Task 2-A-4

- Why structure the supply chain in support of the organization’s strategy?

- What is the difference between tactical supply management and strategic supply management?

- Name at least 5 supply management processes

- Define supply chain integration

- Name three outcomes that supply chain flexibility applies to the speed an organization can adapt and execute
Task 2-B-1

- Name 4 items that sales and operations planning (S&OP) works with internal business units to forecast

- Name 3 factors critical to integrated business planning (IBP) success

- Define 4 key factors for stakeholder forecasts

- Name 3 items that should be a priority when determining forecasting accuracy
Task 2-B-2

- Define demand planning

- Name three focus areas for demand management

- Define CFPR and its purpose

- List 3 key items required in execution of a plan with suppliers
Task 2-C-1

- Describe 4 types of economies

- What is a business cycle and what are its phases?

- Discuss transportation trends

- Define leading, lagging and coincident indicators
Task 2-C-1

- How do government policies, political stability/instability, world industrial migration and environmental concerns affect economies?

- Name 5 types of analyses used in market analysis

- What is a key consideration in determining the best sourcing strategy?

- Identify 4 types of purchases

- How does a supply management professional add value by using his/her analytical/financial skills?
Task 2-C-2

- Describe the purpose of forecasting

- Define the following terms
  - Price index
  - PPI
  - CPI
  - Implicit price deflator
  - Interest rate
Task 2-C-2

- Capacity utilization

- Economic indexing

- GDP

- GNP

- Contrast the following: inflation/deflation

- Identify some of the sources of data and some of the methodologies or techniques used in forecasting

- What are some of the factors that can affect forecasts?
Task 2-C-3

- Define
  - Spot buying
  - Buying to requirements
  - Forward buying
  - Speculative buying
  - Life of product supply
Task 2-C-3

- Dollar averaging

- What is “hedging,” what is its intent and how is it used?

- Identify 5 key influences on selection of a method of procurement
Task 2-C-4

- Give examples of leading indicators

- Describe the impact of the need for confidentiality on suppliers and ways to manage this need

- Define the following and describe the role of ESI in each
  - Supplier managed inventory
  - CPFR
  - Product life cycle
**Task 2-C-5**

- What are some of the factors that can affect forecasts?

- Define the Bullwhip effect

- Discover various methods to forecast accuracy
Task 2-D-1

- Describe the product and service development process

- Define quality function deployment (QFD), House of Quality matrix, and benchmarking

- Discuss the role of supply management in product or service design

- Identify four reasons why products reach the end of their product life cycle

- Define life-cycle costing
Task 2-D-1

- What is the difference between marketing strategy and market intelligence?

- Identify five factors that determine the success of supplier collaboration
Task 2-D-2

- Define ramp-up and ramp-down

- Discuss some of the key areas of concern during ramp-up and the contributions made by supply management in each

- What are three areas of supply chain readiness should be considered

- How can contractual issues play a role in ramp-up or ramp-down?
Task 2-D-3

- Describe the typical basis of an organization’s supply chain strategy and economics

- Discuss supply management’s role in
  - Product and technology roadmaps
  - Product pricing strategy
  - Customer service

- Explain point-of-sale information and why it is useful to supply management
Task 2-D-3

- Identify the reasons for customer segmentation

- Define supplier collaboration and describe several supplier collaboration processes
Task 2-E-1

- Define the following
  - Supplier certification
  - Approved suppliers
  - Preferred suppliers
  - Partnered suppliers
  - GmP

- Identify the focus of ISO 9000
Task 2-E-1

- Discuss methodologies and requirements that organizations use to certify their suppliers
Task 2-E-2

- Explain acceptance testing

- Describe the several types of benchmarking

- Identify the seven basic tools of quality and explain how each is used

- Explain N7
**Task 2-E-2**

- Define SPC and identify the purpose of its primary activities

- List various quality processes used in quality improvement methods

- Define process capability and the 3 general values associated with varying degrees of acceptability
Task 2-E-3

- Discuss the steps involved in benchmarking

- Describe how each of the following contributes to process improvement
  - Benchmarking
  - Process mapping
  - Process costing
  - Maturity models
  - Supplier workshops
Task 2-E-3

- Explain the differences between CMMI and CMMM

- Name 3 common process improvement metrics
Task 2-F-1

- Discuss considerations when selecting a transportation modality

- Describe how freight rates are determined and the basis for the rates

- Identify four groups of computerized transportation activities

- List key considerations when relocating or moving products

- List 3 technology systems utilized in logistics
Task 2-F-2

- Outline the issues surrounding cross border transactions including
  - Documentation
  - Federal regulations
  - Customs requirements
  - Broker arrangements

- Name 5 basic modes of transportation, their primary uses and advantages/disadvantages of each

- Describe the roles of shippers, customers, suppliers, freight forwarders
Task 2-F-2

- What is the impact of traffic patterns?

- What practices lead to gains from managing shipping routes?

- What are Incoterms? How are they used? What does the choice of Incoterm determine?

- Describe C-TPAT and tell how an organization can participate
Task 2-F-2

- Name 4 considerations in selecting mode of transportation

- Define multimodal shipments

- Identify whether the following are import or export documents and describe the use of each
  - Arrival notice
  - Bill of lading
  - Carrier’s certificate and release order
Task 2-F-2

- Certificate of origin

- Commercial invoice

- Consular invoice

- Delivery instructions

- Delivery order
Task 2-F-3

- Name the common standard for specifying freight terms

- What are delivery tracking systems?

- List commonly used delivery performance measurements

- Contrast visible versus latent damage
Task 2-F-3

- Define freight claims and describe how they are resolved

- Define reverse logistics
**Task 2-F-4**

- What are some of the benefits of a freight audit procedures?

- List 4 modals of transportation and the cost elements of each

- US transportation terms are determined by which organization?

- What are some purposes of Incoterms?

- What are the 3 benefits from minimizing lead times in relation to the cost of inventory?
Task 2-F-5

- List 3 types of inventory classification systems

- Define and describe order picking and stock replenishing

- Name 3 components of optimizing materials handling and minimizing cost

- Describe the differences between virtual and real warehouses
Task 2-F-5

- What are the differences between Build-up vs Build-out?

- What is a 3PL, 4PL, 5PL and what does it do?

- List the steps involved in improving logistical performance using a scorecard
Task 2-F-6

- What are the differences between centralized vs. decentralized warehousing?

- Define a hub and spoke warehouse structure and the benefits?

- What items must be considered with geographic location?

- Define 3PL, 4PL and 5PL logistics providers
Task 2-F-7

- Name 5 warehouse processes that require key KPI’s

- Name 2 national regulatory compliance organizations

- Name at least 3 areas that impact the environment in a warehouse that can be calculated.

- Define 4 options for excess or obsolete inventory disposition

- Define at least 4 warehouse security issues beyond physical inventory
Task 2-F-8

- Describe the components and uses of RFID, bar coding, UID and IUID

- What is business continuity planning?

- Identify the objectives and key considerations when planning a warehouse management system

- Name the objectives of warehouse facility design

- Describe 4 types of storage location systems
**Task 2-F-8**

- Name 5 reasons customer requirements vary

- In addition to customer requirements, identify 4 areas of costs involved in warehouse management

- Describe the differences between private and public warehouses and centralized and decentralized structures

- Define 3 replenishment systems used in WMS

- Describe 3 inventory classification systems
Task 2-F-8

- What is the purpose of cycle counting?

- What is a perpetual record system?

- How are stock keeping units (SKU) established?
Task 2-F-9

- Define asset classification, current assets, fixed assets, intangible assets, investment assets

- List SOX mandates for tracking fixed assets

- Identify the key performance indicators on how well an organization is performing financially

- What are internal distribution and transportation?
Task 2-F-9

- Define asset management and compare inventory of expendable goods versus inventory of fixed assets

- Define asset recovery and state its objective
Task 2-F-10

- What is the difference between expedited and de-expedited orders?

- Name 4 items that should be comprehended in an expediting policy or procedure?

- What are 3 factors that drive expediting orders?

- Name 4 things that can be done to decrease the frequency of expediting and de-expediting?
Task 2-F-11

- What are the three main costs of inventory?

- Name 4 costs tied to shortages

- Define:
  - ABC Analysis
  - Market intelligence
  - Fixed order quantity
  - Fixed order period
Task 2-F-12

- Name 2 requirements for packaging design

- Define 4 reasons for packaging certification evaluation and testing

- What are 3 goals for package cost optimization?
Task 2-F-13

- Discuss investment recovery and investment recovery principles

- Define value stream mapping

- Why is security required in the disposal of inventory and what are some of the regulations that apply?

- What options are available for disposal?

- Identify and define categories of disposable goods
Task 2-G-1

- Describe the relationship between project management and supply management

- Projects are typically created to meet at least one of five objectives – name them

- Define project life cycle

- Describe the following project process groups and identify key activities and deliverables/outputs of each
  - Initiating
Task 2-G-1

- Planning

- Executing

- Monitoring and control

- Closing