**Assessment quiz**

1. Which of the following is NOT a main component of stock management?

A. inventory control

B. quality control

C. demand forecasting

D. production planning

2. What is the primary purpose of asset management?

A. to maximise profits

B. to reduce costs

C. to ensure efficient use of resources

D. to improve customer satisfaction

3. Which stock management technique involves maintaining just enough inventory to meet immediate demand, using a pull system where production is triggered by customer demand?

A. just-in-time (JIT)

B. economic order quantity (EOQ)

C. made-to-stock (MTS)

D. made-to-order (MTO)

4. What is the term for the minimum level of inventory that a company should maintain to avoid stockouts?

A. safety stock

B. reorder point

C. economic order quantity

D. lead time

5. Which of these is a characteristic of a 'pull' inventory system?

A. Production is based on forecasted demand.

B.Items are produced or ordered only when a customer demand or subsequent process signals a need.

C. It typically results in higher inventory levels.

D. Large batches are produced to achieve economies of scale.

6. What is the term for the time it takes to replenish inventory after an order is placed?

A. lead time

B. reorder point

C. safety stock

D. economic order quantity

7. What is the primary objective of just-in-time (JIT) inventory management?

A. to eliminate waste by producing or delivering items only when needed

B. to increase buffer stock for unexpected demand surges

C. to maximise economies of scale through large batch production

D. to centralise all inventory in one large warehouse

8. What is the primary goal of inventory control?

A. to maximise profits

B. to minimise costs

C. to improve customer satisfaction

D. to reduce lead times

9. What is the term for the process of tracking and managing assets throughout their lifecycle?

A. asset management

B. inventory control

C. demand forecasting

D. production planning

10. Which of the following is NOT a main component of asset management?

A. acquisition

B. utilisation

C. disposal

D. quality control

11. What is a 'stockout' in inventory management?

A. a method for counting physical inventory

B. an excess of inventory beyond demand

C. the process of moving stock from one location to another

D. a situation where a company runs out of a particular item when needed

12. The 'reorder point' in inventory management is the level of inventory at which:

A. products are moved from the warehouse to the retail store.

B. inventory should be completely depleted.

C. a new order should be placed to replenish stock.

D. the annual holding costs equal the annual ordering costs.

13. Which of the following is NOT typically considered a cost of holding inventory?

A. insurance on goods

B. obsolescence

C. cost of placing an order

D. storage space expenses

14. Which one of these is NOT a source of disruption for a manufacturing company:

A. machine breakdown

B. stockout

C. minimal downtime

D. transport problems

15. What is the term for the process of tracking the movement of inventory from the supplier to the customer?

A. supply chain management

B. inventory control

C. demand forecasting

D. production planning