

SUBJECT CODE: 404

SUBJECT NAME: Enterprise Resource Planning and Management.

Unit 1 : ERP : An Overview

1. Material Requirement Planning(MRP) utilizes software applications for scheduling _____.

- A. sales management.
- B. production processes.
- C. marketing techniques.
- D. human resource management.

ANSWER: B

2. ERP supports _____ currency value.

- A. multiple.
- B. single.
- C. three.
- D. five.

ANSWER: A

3. ERP package will handle _____ business functionalities.

- A. one.
- B. two.
- C. three.
- D. all.

ANSWER: D

4. The most important step of ERP implementation is _____ phase.

- A. installing.
- B. training.
- C. gap analysis.
- D. testing.

ANSWER: C

5. An enterprise is a group of people with _____.

- A. common goal.
- B. separate goal for each department.
- C. multiple goals.
- D. two or more goals.

ANSWER: A

6. In _____, entire organization is considered as a system and the departments are its subsystem.

- A. business way.
- B. general.
- C. enterprise way.
- D. planning.

ANSWER: C

7. An information system produces information using the _____ cycle.

- A. data analysis.
- B. input-process-output.
- C. input-output.
- D. process-input-output.

ANSWER: B

8. _____ used to support the old process to become useful in the new process, involves reducing some requirements while expanding others.

- A. Transitioning the information.
- B. software management.
- C. front-office software.
- D. information system.

ANSWER: A

9. The traditional business system is called as _____.

- A. modern method.
- B. advanced method.
- C. effective method.



D. legacy method.

ANSWER: D

10. Which of the following method is used to produce reports about data.

- A. Decision Support Systems.
- B. Executive Information Systems.
- C. Query/Report Writing Tool.
- D. All the above.

ANSWER: D

11. _____ approaches reduces data redundancy and provide update information.

- A. Legacy system.
- B. Information system.
- C. Integrated data model.
- D. Data base.

ANSWER: C

12. The elapsed time between placing an order and it receiving it is also known as _____.

- A. elapsed time.
- B. waiting time.
- C. time interval.
- D. expected time.

ANSWER: A

13. In order to reduce the lead times, the organization should have an efficient _____ system.

- A. purchasing.
- B. production planning.
- C. inventory.
- D. integrated inventory.

ANSWER: D

14. Customer specific products are also known as _____.

- A. make-to-stock.
- B. make-to-order.
- C. goods.
- D. expected products.

ANSWER: B

15. Using _____ system, business can gain effective control over engineering change orders.

- A. engineering change control.
- B. engineering change order.
- C. inventory.
- D. production planning.

ANSWER: A

16. In the case of make-to-order items, the ERP systems save time by integrating with _____ systems.

- A. engineering change control.
- B. engineering change order.
- C. CAD and CAM.
- D. CAD.

ANSWER: C

17. The _____ planning features of most ERP systems offer, both rough cut and detailed capacity planning.

- A. capacity.
- B. production.
- C. marketing.
- D. test.

ANSWER: A

18. _____ is the process by which different functional areas can work together to design and develop a product that meets the needs of the customer.

- A. Software Engineering.
- B. Concurrent Engineering.
- C. Knowledge Engineering.
- D. Database.

ANSWER: B

19. _____ is a key issue in the formation of strategic plans in companies.

- A. Computerized.
- B. Quantity.
- C. Quality.
- D. Flexibility.

ANSWER: D

20. The business information has _____ fundamental characteristics.

- A. 1
- B. 2
- C. 3
- D. many

ANSWER: C

21. The CRM system consist of _____ components.

- A. 2.
- B. 3.
- C. 5.
- D. many.

ANSWER: B

22. _____ is the first phase in BPR.

- A. Begin organizational change.
- B. Identifying BPR opportunities.
- C. Reengineering the process.
- D. Blueprint the new business system.

ANSWER: A

23. The first step in business strategy is _____.

- A. planning.
- B. develop blueprint.
- C. marketing.
- D. assessment.

ANSWER: D



24. During the _____ session the reengineering must also consider new technologies.

- A. planning
- B. implementing.
- C. brainstorming.
- D. training.

ANSWER: C

25. The reengineering team must consider _____ in the redesign of a process.

- A. all resources.
- B. all process stakeholders.
- C. existing system.
- D. legacy system.

ANSWER: B

26. The _____ contains models of the redesigned organizational structure.

- A. planning report.
- B. blueprint.
- C. marketing strategy.
- D. implementation report.

ANSWER: B

27. Transforming the workforce will require a _____.

- A. array of activities.
- B. blueprint.
- C. training and education.
- D. planning.

ANSWER: A

28. The primary concept of _____ is that storing huge amount of data.

- A. data mining.
- B. OLAP.
- C. supply chain management.
- D. data warehousing.

ANSWER: D

29. A data warehouse is a collection of _____ that is critical to the successful execution of enterprise initiatives.

- A. raw data.
- B. tables.
- C. computer based information.
- D. reports.

ANSWER: C

30. W.H.Inmon is credited as the father _____ concepts.

- A. Data mining.
- B. Data warehouse.
- C. BPR.
- D. OLAP.

ANSWER: B

31. The heart of data warehouse is its _____ where the bulk of data resides.

- A. current data.
- B. raw data.
- C. new data.
- D. reports.

ANSWER: A

32. The data warehouse archives contain _____ of significant, continuing interest and value to the enterprise.

- A. new data.
- B. current data.
- C. old data.
- D. meta data.

ANSWER: C

33. _____ oversee the day-to-day operations of respective functional areas during ERP implementation.

- A. Consultant.
- B. Package vendor.
- C. End users.
- D. Functional managers

ANSWER: D



34. Data mining is a powerful new technology to _____ from large databases.

- A. extraction of hidden predictive information.
- B. generating reports.
- C. retrieving data.
- D. show result.

ANSWER: A

35. _____ is used to produce reports about data.

- A. Data access. .
- B. DSS,EIS and query writing tools.
- C. DSS
- D. Query writing tools

ANSWER: B

36. The _____ used by the data mining for the creation of information about data.

- A. data verification.
- B. data validation.
- C. discovery model.
- D. analysis model.

ANSWER: C

37. _____ is the task of identifying a finite set of most categories the data set.

- A. Predicting.
- B. Classification.
- C. Deviation detection.
- D. Clustering.

ANSWER: D

38. The OLAP concept has _____ rules.

- A. 12
- B. 10
- C. 5
- D. 50

ANSWER: A



39. OLAP transforms data warehouse data into _____.

- A. reports.
- B. strategic information.
- C. existing data.
- D. tables.

ANSWER: B

40. A _____ provides more than the ability to "slice and dice".

- A. single dimensional view of data.
- B. reports.
- C. multi dimensional view of data.
- D. forms.

ANSWER: C



Unit 2 : Enterprise Modeling and Integration for ERP

41. _____ focus on the process of communicating, teaching, demonstrating and configuring software for the business process flows.

- A. Management consultants.
- B. Application consultants.
- C. Package vendors.
- D. Functional participants.

ANSWER: B

42. _____ departments use OLAP for applications such as budgeting, activity based costing and so on.

- A. Financial.
- B. Marketing.
- C. Purchasing.
- D. Sales.

ANSWER: A

43. _____ information is computed data that usually reflects complex relationships.

- A. Database.
- B. Just-in-time.
- C. Real.
- D. Processed.

ANSWER: B

44. OLAP databases must be able to do more than _____.

- A. complex aggregation.
- B. expected result.
- C. simple aggregation.
- D. derived result.

ANSWER: C

45. The computation of the _____ is one of the most complex calculations.

- A. forecast.
- B. production.
- C. sales.
- D. planning.

ANSWER: A

46. Expand DRP.

- A. data reprocessing.
- B. descriptive requirements planning.
- C. distribution requirements planning.
- D. data requirements planning.

ANSWER: C

47. _____ is one of the benefits of supply chain management.

- A. Easy process.
- B. Manufacturing make-to-stock products.
- C. Minimum time.
- D. Faster response-to-market changes.

ANSWER: D

48. _____ is a track-proven technology applicable to every company.

- A. OLAP.
- B. Supply chain management.
- C. Data mining.
- D. Data warehousing.

ANSWER: B

49. The companies can use supply chain management for _____.

- A. critical business process.
- B. effective planning.
- C. inventory control.
- D. material management.

ANSWER: A

50. Which committee formulates the long term goals, objectives and strategies regarding the ERP implementation.

- A. Executive committee.
- B. Project management committee.
- C. Implementation team.



D. End-users.

ANSWER: A

51. The three fundamental characteristics of information are _____.

A. accuracy, relevancy and timeliness.

B. quality, quantity and process.

C. accuracy, quality and relevancy.

D. quality, accuracy and timeliness.

ANSWER: A

52. The main drawback of legacy system is _____.

A. less effectiveness.

B. high cost.

C. no integration.

D. more modules.

ANSWER: C

53. _____ is group of people with common goal.

A. Department

B. System.

C. Resource.

D. Enterprise.

ANSWER: D

54. The three performance related measures are _____.

A. system, hardware and software.

B. quality, quantity and product design.

C. cost, time and benefits.

D. hardware, software and product design.

ANSWER: C

55. The _____ model fails in creating the integrated information environment in business.

A. traditional information.

B. modern information.

C. ERP.

D. computerized.

ANSWER: A



56. Most organizations are implementing or planning to implement _____.

- A. packaged software solution.
- B. separate software solution.
- C. simple software.
- D. complex software.

ANSWER: A

57. ERP system is for _____.

- A. major departments only. .
- B. entire organization.
- C. marketing and sales.
- D. production department

ANSWER: B

58. The cost of ERP is _____.

- A. depends on the package.
- B. depends on available resources.
- C. technology used
- D. all the above.

ANSWER: D

59. ASAP road-map is a detailed project plan by _____ that describes all activities in an implementation.

- A. SAP.
- B. ORACLE.
- C. PeopleSoft.
- D. Baan.

ANSWER: A

60. The company should conduct a _____ about the implementation and implementation strategies.

- A. feasibility study.
- B. survey.
- C. case study.
- D. test.

ANSWER: A

61. ERP implementation process has _____ phases.

- A. one.
- B. two.
- C. five.
- D. eleven.

ANSWER: D

62. In pre-selection phase, _____ packages will be selected.

- A. 5.
- B. 10.
- C. 15.
- D. more than 15.

ANSWER: A

63. PeopleSoft is strong in _____.

- A. manufacturing.
- B. HR.
- C. plant and maintenance.
- D. finance.

ANSWER: B

64. Baan company is strong in _____.

- A. manufacturing.
- B. HR.
- C. plant and maintenance.
- D. finance.

ANSWER: A

65. What is the strategy of package evaluation?

- A. Trail and error.
- B. Accept with error.
- C. Do it right the first time.
- D. Take it as a trial.

ANSWER: C

66. The objective of package evaluation is to find a package that covers _____ requirements.

- A. minimum.
- B. 50%.
- C. 99%.



D. each and every.

ANSWER: D

67. In _____ phase roles are identified and responsibilities assigned.

A. project planning.

B. gap analysis.

C. reengineering.

D. configuration.

ANSWER: A

68. The project planning phase will be headed by _____.

A. management.

B. vendor.

C. ERP in-charge.

D. consultant.

ANSWER: C

69. Normally the ERP package needs _____ of company's functional requirements.

A. 50%.

B. 60%.

C. 80%.

D. 100%.

ANSWER: C

70. The _____ team normally includes hired consultants and the in-house team.

A. work team

B. project management team.

C. executive committee.

D. all the above.

ANSWER: A

71. The _____ approach emphasizes the human element of necessary change within organizations.

A. OLAP.

B. data mining.

C. data warehousing.

D. BPR.

ANSWER: D

72. Baan company users an automated configuration tool is known as _____.

- A. industry specific templates.
- B. orgware.
- C. complete solutions.
- D. automatic updation.

ANSWER: B

73. The test cases must be decided specifically to find the _____ in the system.

- A. methods.
- B. real cases.
- C. weak links.
- D. loops.

ANSWER: C

74. In which phase, data conversion is done?

- A. Going live.
- B. Testing.
- C. Training.
- D. Configuration.

ANSWER: A

75. In which phase the actual users of the system will be given training on how to use the system?

- A. Gap analysis.
- B. Reengineering.
- C. Implementation team training.
- D. End user training.

ANSWER: D

76. _____ is the last phase in ERP implementation life cycle.

- A. Testing.
- B. End user training.
- C. Post implementation.
- D. Going live.

ANSWER: C

77. Which is the important thing the selection of package?

- A. Selection of vendor.
- B. Selection of consultant.
- C. Selection of implementation team.



D. Assigning roles and responsibilities

ANSWER: B

78. Generally an ERP implementation can be divided into _____ phases.

A. 1

B. 2

C. 3

D. 4

ANSWER: A

79. Which is the first phase in ERP implementation?

A. Understanding the problem.

B. Defining solutions.

C. Getting down to work.

D. Going live.

ANSWER: A

80. _____ should determine the characteristic of the current system before implementation.

A. Decision makers.

B. Project team members.

C. Decision makers and project team members.

D. Management.

ANSWER: C

Unit 3 : ERP Implementation

81. Which is the most critical phase in ERP implementation?

- A. Understanding the problem.
- B. Defining solutions.
- C. Getting down to work.
- D. Going live.

ANSWER: B

82. All basic definitions of information and data modeling will be made in _____ phase.

- A. pre-implementation.
- B. post implementation.
- C. defining solutions.
- D. going live.

ANSWER: C

83. During the second phase of ERP implementation _____ will be created.

- A. model of existing system.
- B. data design.
- C. module design.
- D. prototype.

ANSWER: D

84. Which phase is most difficult phase in ERP implementation?

- A. Getting down to work.
- B. Going live.
- C. Post implementation.
- D. Configuration.

ANSWER: A

85. The end-user and managers are trained _____.

- A. during implementation.
- B. after implementation.
- C. before implementation.
- D. during and after implementation.

ANSWER: D

86. _____ is one of the activities in getting down to work.

- A. Analyses existing system.
- B. Analyses above new system.
- C. Identifying roles.
- D. Document the new procedures.

ANSWER: D

87. ERP packages are _____ and set of functionalities.

- A. same architecture.
- B. different architecture.
- C. same concept.
- D. different concept.

ANSWER: B

88. In the initial stages ERP packages were targeted at _____ industry.

- A. manufacturing.
- B. non-manufacturing.
- C. both manufacturing and non-manufacturing.
- D. service oriented industry.

ANSWER: A

89. _____ process decides the success or failure of the project.

- A. Handling the vendors.
- B. Role of technology.
- C. Selection process.
- D. Implementation.

ANSWER: C

90. To evaluate the process during implementation _____ is essential.

- A. executive committee.
- B. top management.
- C. consultation.
- D. evaluation committee.

ANSWER: D

91. The company should do a _____ to limit the number of packages to be considered.

- A. pre-evaluation screening.
- B. post implementation.
- C. project planning.

D. gap analysis.

ANSWER: A

92. _____ is one of the objectives when selecting a ERP package.

A. Accuracy.

B. Flexibility.

C. Project planning.

D. Gap analysis.

ANSWER: B

93. Most ERP packages are stronger in _____ areas.

A. all.

B. less.

C. certain.

D. general.

ANSWER: C

94. Market risk management plays a vital role in analyzing _____.

A. company's growth.

B. company's competitiveness.

C. company's sales.

D. product quality..

ANSWER: B

95. During analysis it is important to investigate _____ of the different packages.

A. effectiveness.

B. worth.

C. cost.

D. origin.

ANSWER: D

96. The _____ are constantly striving to lower configuration costs.

A. vendors.

B. consultants.

C. management.

D. employees.

ANSWER: A

97. _____ function helps in hiring the right people with the right skills.

- A. Recruitment management.
- B. Personnel administration.
- C. Personnel management.
- D. Organizational management.

ANSWER: A

98. Project planning phase is _____ in ERP implementation.

- A. first phase.
- B. third phase.
- C. fifth phase.
- D. seventh phase.

ANSWER: B

99. For training the employees will be divided into groups based on their _____.

- A. qualification. .
- B. department.
- C. computer knowledge.
- D. current skill levels

ANSWER: D

100. In ERP system _____ is important.

- A. upgrading techniques.
- B. modification.
- C. maintenance.
- D. evaluation.

ANSWER: A

101. A successful training will account for a minimum of _____ of the total project cost.

- A. 10-15%.
- B. 10-20%.
- C. 5-10%.
- D. 5-15%

ANSWER: A

102. Testing the links between ERP packages and other corporate software links that have to be building on a _____ basis.

- A. sample.
- B. case-to-case.
- C. random.
- D. time.

ANSWER: B

103. When testing ERP system, _____ is recommended.

- A. using dummy data.
- B. using sample value.
- C. using approximate value.
- D. running a real purchase order.

ANSWER: D

104. In legacy system, most of the data are _____.

- A. exact data.
- B. approximate data.
- C. redundant.
- D. derived data.

ANSWER: C

105. Users with heavy data analysis needs should include the cost of _____ in the ERP budget.

- A. software.
- B. analysis tool.
- C. data warehouse.
- D. hardware.

ANSWER: C

106. Once the ERP system is implemented the current _____ will be replaced by new ones.

- A. process.
- B. procedures.
- C. techniques.
- D. process and procedures.

ANSWER: D

107. Which process makes the decision makers to get accurate information, in which format they want?

- A. Decision making.
- B. Planning.
- C. Design.
- D. Testing.

ANSWER: A

108. An ERP implementation involves _____ changes.

- A. process.
- B. technological.
- C. cultural.
- D. both technological and cultural.

ANSWER: D

109. Who is the head in ERP implementation team?

- A. Project management.
- B. Executive committee.
- C. Work team.
- D. Technical support team.

ANSWER: B

110. Executive committee is headed by _____.

- A. end users.
- B. consultant.
- C. CIO or CEO.
- D. vendor.

ANSWER: C

111. The _____ team is comprised of the technical leader and the executive committee head.

- A. project management.
- B. executive committee. .
- C. work.
- D. administrative support

ANSWER: A

112. _____ provides planning, scheduling and control of facilities and equipment..

- A. HR module
- B. Plant maintenance control.
- C. Sales and distribution.
- D. Finance.

ANSWER: B

113. Which team is responsible for the activities such as data migration, back up and recovery?

- A. Executive committee.
- B. Administrative team. .
- C. Project management.
- D. Technical support team

ANSWER: D

114. The _____ team will contain people from the company's IT/EDP departments.

- A. in-house.
- B. executive.
- C. administrative.
- D. technical support.

ANSWER: A

115. _____ team is responsible for making available work space.

- A. Technical support.
- B. Executive.
- C. Administrative support.
- D. Work.

ANSWER: C

116. Which team arranges meetings and documentation during ERP implementation?

- A. Work team.
- B. Administrative support team.
- C. Project management.
- D. Technical support team.

ANSWER: B

117. _____ are the people who have developed the ERP packages.

- A. Consultants.
- B. End users.
- C. Administrative team.
- D. Vendors.

ANSWER: D

118. Vendors have to be upgrading their products by using _____.

- A. latest advancement in technology.
- B. new software.
- C. new modules.
- D. new concepts.

ANSWER: A

119. The vendor should supply _____ as soon as the contract is signed.

- A. product.
- B. documentation.
- C. product and documentation.
- D. service.

ANSWER: C

120. End user training will given by _____.

- A. consultant. .
- B. vendor.
- C. technical support team.
- D. administrative support team

ANSWER: B

Unit 4 : Technologies In ERP System

121. _____ are professionals who specialise in developing techniques.

- A. Software engineers.
- B. Vendors.
- C. Technical support team members.
- D. Business consultants.

ANSWER: D

122. _____ analyzes the profitability of internal responsibility centers.

- A. Profit center accounting.
- B. Funds management.
- C. Market risk management.
- D. Budgetting.

ANSWER: A

123. _____ is responsible for administering each of the phases of the implementation.

- A. Vendors.
- B. Consultants.
- C. Administrative team members.
- D. Technical support team.

ANSWER: B

124. During ERP implementation _____ should be converted into tasks and should be allocated to the right people.

- A. rules.
- B. procedures.
- C. methodologies.
- D. functionality

ANSWER: C

125. Along with product details, _____ should be included in the documentation.

- A. product description.
- B. implementation details.
- C. training methods.
- D. know-how.

ANSWER: D

126. The consultant should differentiate _____ and decide on the level of customization.

- A. requirements and must have.
- B. requirements and nice to have.
- C. must have and nice to have.
- D. requirements and tasks

ANSWER: C

127. _____ sub-system allows the company to analyze financial transactions for a given period.

- A. Cash management.
- B. Treasury management.
- C. Investment management.
- D. Treasury module.

ANSWER: A

128. _____ is the people who will be using the ERP system once it is in place.

- A. Management.
- B. End-user.
- C. Consultant.
- D. Vendor.

ANSWER: B

129. In ERP, _____ supports lead generation and direct mailing campaign.

- A. manufacturing module.
- B. financial module.
- C. purchasing module.
- D. marketing module.

ANSWER: D

130. The _____ include package vendor, hardware and peripheral vendor, networking people, consultants, and employees.

- A. testing.
- B. training.
- C. ERP implementation.
- D. ERP planning.

ANSWER: C

131. _____ sub-system examines the sources of returns.

- A. Profitability analysis.
- B. investment management.
- C. cash management.
- D. all the above.

ANSWER: A

132. The company's objective is to make the package work successfully as documented in the _____ manual.

- A. vendor's.
- B. consultant's.
- C. management's.
- D. technical support team's.

ANSWER: A

133. Who is responsible to check and verify the work that is being done satisfactory?

- A. Project development team.
- B. Executive committee.
- C. Vendor.
- D. Consultant.

ANSWER: B

134. Before the implementation _____ should sit together and prepare a work plan.

- A. vendor and consultant.
- B. consultant and management.
- C. vendor and management.
- D. consultant and company representative.

ANSWER: D

135. Who will lead the process of the work plan?

- A. Company representative.
- B. Vendor.
- C. Consultant.
- D. Management.

ANSWER: C

136. Who will point out the issues that are specific to the company during ERP implementation?

- A. In-house team.
- B. Management.
- C. Vendor.
- D. End-user.

ANSWER: A

137. _____ is the tool used to prepare a work plan with quality.

- A. CAD.
- B. CAM.
- C. PERT.
- D. Software.

ANSWER: C

138. The frequent monitoring will be done by _____ committee.

- A. company representative.
- B. executive.
- C. project planning.
- D. implementation.

ANSWER: B

139. Overhead orders sub-system collects and analyzes cost based on _____.

- A. individual internal measures.
- B. individual external measures.
- C. company's internal measure.
- D. company's internal measure.

ANSWER: A

140. _____ module facilitates the process of maintaining the appropriate level of stock in a warehouse.

- A. HR.
- B. Project planning.
- C. Material management.
- D. Purchasing.

ANSWER: C

141. One of the objectives of executive committee meeting is to address the issues that involve _____.

- A. planning phase.
- B. testing phase.
- C. decisions from the top management.
- D. training.

ANSWER: C

142. Non technical employees and managers can act as functional experts during _____.

- A. post implementation.
- B. pre-implementation.
- C. implementation.
- D. training.

ANSWER: B

143. The training is a _____ process.

- A. ongoing.
- B. new.
- C. difficult.
- D. time oriented.

ANSWER: A

144. The long term use of ERP could change the border organization in terms of its _____.

- A. enterprise.
- B. structure
- C. function. .
- D. structure and function

ANSWER: D

145. Most companies use _____ to help with the implementation process.

- A. consultants.
- B. vendors.
- C. employees.
- D. end-users.

ANSWER: A

146. For ERP implementation, the representatives should select from _____.

- A. one department.
- B. each department.
- C. in house team.
- D. executive committee.

ANSWER: B

147. _____ analyzes where overhead occurs within the organization.

- A. Controlling.
- B. Asset accounting.
- C. Cost center accounting.
- D. Product cost controlling.

ANSWER: C

148. _____ bringing out ERP application management tools.

- A. Vendors.
- B. Consultants.
- C. Employees
- D. Technical support team.

ANSWER: A

149. Many companies offering _____ for help desks.

- A. packages
- B. prepackages ERP support knowledge base.
- C. documentation.
- D. knowledge base.

ANSWER: B

150. _____ streamlines procurement of required raw material.

- A. Marketing module. .
- B. Financial module.
- C. Manufacturing module.
- D. Purchasing module.

ANSWER: D

Unit 5 : The ERP Domain

1. Which of the following describes an ERP system?
- A) ERP systems provide a foundation for collaboration between departments
 - B) ERP systems enable people in different business areas to communicate
 - C) ERP systems have been widely adopted in large organisations to store critical knowledge used to make the decisions that drive the organisation's performance
 - D) All of the above

Answer: D

2. What is at the heart of any ERP system?

- A) Information
- B) Employees
- C) Customers
- D) Database

Answer: D

3. What must a system do to qualify as a true ERP solution?

- A) Be flexible
- B) Be modular and closed
- C) Extend within the company
- D) All of the above

Answer: A Level: Medium

4. Which of the following is a reason for ERPs explosive growth?

- A) ERP is a logical solution to the mess of incompatible applications
- B) ERP addresses the need for global information sharing and reporting
- C) ERP is used to avoid the pain and expense of fixing legacy systems
- D) All of the above

Answer: D

5. Which of the following occurs when everyone involved in sourcing, producing, and delivering the company's product works with the same information?

- A) Eliminates redundancies
- B) Cuts down wasted time

- C) Removes misinformation
- D) All of the above

Answer: D

6. What are several different types of software, which sit in the middle of and provide connectivity between two or more software applications?

- A) Middleware
- B) Enterprise application integration middleware
- C) Automated business process
- D) e-business infrastructure

Answer: A

7. What represents a new approach to middleware by packaging together commonly used functionality, such as providing prebuilt links to popular enterprise applications, which reduces the time necessary to develop solutions that integrate applications from multiple vendors?

- A) Middleware
- B) Enterprise application integration middleware
- C) Automated business process
- D) e-business infrastructure

Answer: B

8. Who are the primary users of SCM systems?

- A) Sales, marketing, customer service
- B) Accounting, finance, logistics, and production
- C) Customers, resellers, partners, suppliers, and distributors
- D) All of the above

Answer: C

9. What are the primary business benefits of an ERP system?

- A) Sales forecasts, sales strategies, and marketing campaigns
- B) Market demand, resource and capacity constraints, and real-time scheduling
- C) Forecasting, planning, purchasing, material management, warehousing, inventory, and distribution
- D) All of the above

Answer: C

10. Who are the primary users of ERP systems?
- A) Sales, marketing, customer service
 - B) Accounting, finance, logistics, and production
 - C) Customers, resellers, partners, suppliers, and distributors
 - D) All of the above

Answer: B

11. _____ handling and sharing has become a vital process for efficient and effective working of any organisation.

- A) Material
- B) Resource
- C) Information
- D) Database

Answer: C

12. _____ became the fundamental concept of production management and control.

- A) BOM
- B) MRP
- C) ERP
- D) MRP II

Answer: B

13. In the _____, ERP packages were targeted at the manufacturing industry.

- A) 1970's
- B) 1990's
- C) 1980's
- D) 1960's

Answer: B

14. The _____ should plan well and execute perfectly the implementation of ERP.

- A) Organisation
- B) System developers
- C) Vendors
- D) Top Management

Answer: B

15. Which is one of the most critical steps in the ERP implementation?

- A) Creation of Organisational Model
- B) Creation of Integrated Data Model
- C) Creation of Business Model
- D) Creation of Data Model

Answer: B

16 What is one of the key resources of every organisation, in today's competitive business environment?

- A) Employee
- B) Information
- C) ERP
- D) Database

Answer: B

17. When a customer needs to check the performance of the company before he places an order, which department has to be in a position to provide the necessary information?

- A) Production
- B) Quality
- C) Marketing
- D) Finance

Answer: C

18. In an integrated data model, what gives a snapshot of the organisation at any given time?

- A) ERP
- B) Database
- C) Management
- D) MIS

Answer: B

19. OLAP stands for:

- A) On-Line Analytical Processing
- B) On-Line Account Processing
- C) On-Line Arithmetic Processing
- D) On-Line Application Processing

Answer: A

20. Data mining is the process of identifying valid, new, potentially useful, and ultimately clear _____ from databases.

- A) Decision
- B) Strategies
- C) Information
- D) Account

Answer: C

21. EIS stands for:

- A) Executive Interaction System
- B) Executive Interconnecting Systems
- C) Executive Information Systems
- D) Executive Instrumental Systems

Answer: C

22. DSS is quite _____ and is available on request.

- A) Structured
- B) Non-structured
- C) Semi-structured
- D) Unstructured

Answer: B

23. ERP system is built on a _____ utilising a common computing platform

- A) Centralised database
- B) Individual databases
- C) Modular databases
- D) Centralised layout

Answer: A

24. Which of the following is an example for commercial ERP

- A) ERP5
- B) Microsoft Dynamics AX
- C) Compiere
- D) Fistera

Answer: B

25. NPV is the abbreviation of

- A) Net Present Variation method
- B) Net Present Value method
- C) Neutral Present Value method
- D) Net Preventive Value method

Answer: C

26. ERP vendors usually design their systems around standard business processes, based upon _____

- A) Business standards
- B) Global standards
- C) Best business practices.
- D) Best profitable standards

Answer: C

27. The _____ module's internal functions do not directly interact with the data or processes of other modules.

- A) Finance
- B) Quality Management
- C) Sales and Distribution
- D) Plant Maintenance

Answer: B

28. Which among the following systems can be assigned to a cost centre directly which illustrates the interface to the cost accounting system?

- A) FAPA
- B) Purchasing
- C) Sales and Distribution
- D) CASO

Answer: D

29. Which system provides the foundation for creating concurrent business processes across the supply chain and achieving Return on Assets (ROA) improvement?

- A) Finance
- B) Inventory
- C) Manufacturing
- D) Sales

Answer: C

30. The processes described in the quality manual can be implemented and automated in the EDP system. Here what does EDP stand for?

- A) Electronic Data Processing
- B) Electronic Dictionary Project
- C) Electrical Data Processing
- D) Employee Development Plan

Answer: A

31. What is the key to MRP?

- A) Quantity of requirements for components are based upon the structure of the Bill of Material.
- B) Production of requirements for components are based upon the structure of the Bill of Material.
- C) Time-phasing of requirements for components are based upon the structure of the Bill of Material.
- D) Capacity of requirements for components are based upon the structure of the Bill of Material.

Answer: C

32. During the 80s, tools were developed to assist the planning of:

- A) Production levels
- B) Priority planning system
- C) Capacity requirements
- D) Planning functions

Answer: A

33. Complete the sentence: MRP-II systems provide...

- A) Information that is useful to all functional areas and encourage cross-functional interaction.
- B) Information with cost data
- C) Information that can be used for other company functions.
- D) Accurate inventory information.

Answer: B

34. ERP is restricted to being a _____ operations system in the country.

- A) Finance
- B) Budgeting modules
- C) Manufacturing
- D) Transaction-oriented

Answer: D

35. _____ allow companies to enter requirements for various types of items.

- A) Purchase order
- B) Purchase requisitions
- C) Invoice
- D) General ledger

Answer: B

36. What is EDI?

- A) Electronic Data Interface
- B) Exchange Data Interchange
- C) Exchange Data Interface
- D) Electronic Data Interchange

Answer: D

37. _____ module supports the entire sales and purchase processes from start to finish.

- A) Order management
- B) Sales management
- C) Purchase management
- D) Master Data Management

Answer: A

38. _____ evaluates whether or not customer contract agreement are being met.

- A) Purchase order management
- B) Sales order management
- C) Master data management
- D) Warehouse management

Answer: D

39. _____ maintains reports of warehouse supplies.

- A) ERP financial module
- B) ERP Inventory software module
- C) ERP Resource module
- D) ERP verification module

Answer: B

40. Web ERP is suitable for _____ .

- A) Both small and big organisations
- B) Only big organisations
- C) Medium scale organisations
- D) Only small organisations

Answer: A

41. RFP stands for _____ .

- A) Request For Productivity
- B) Request For Profits
- C) Request For Processing
- D) Request For Proposal

Answer: D

42. Installing ERP Inventory systems is _____ .

- A) Simple
- B) Trouble free
- C) Complex
- D) Cost effective

Answer: C

43. In recent years, CRM has become a primary component of:

- A) ERP vendors
- B) ERP software solutions.
- C) CRM software
- D) CRM solutions

Answer: B

44. _____ is the most common operating system for running CRM software

- A) UNIX
- B) Windows NT
- C) Windows Vista
- D) Windows XP

Answer: A

45. _____ module keeps track of liquidation process.

- A) Market management module
- B) Liquidation module
- C) Treasury module
- D) Enterprise management module

Answer: C

46. _____ system maintains employees information in graphical format.

- A) Employee master data
- B) Personnel administration
- C) Payroll accounting
- D) Benefits administration

Answer: A

47. As processes become more automated and efficient,

- A) It is best to treat ERP as an investment as well as a cost-cutting measure.
- B) It is not best to treat ERP as an investment as well as a cost-cutting measure.
- C) It is best to treat ERP as an disinvestment as well as a cost-cutting measure.
- D) It is best to treat ERP as an investment but not as a cost-cutting measure.

Answer: D

48. ETO means

- A) Engineer-to-Order
- B) Engineer-to-Offer
- C) Enterprise-to-Order
- D) Enterprise-to-Offer

Answer: A

49.The vendor should have a _____, who must constantly interact with the implementation team.

- A) Liaison officer
- B) Project Supervisor
- C) Project Manager
- D) Implementation co-ordinator

Answer: A

50. Identify the correct statement.

- A) The only problem with the package vendors is that they are very expensive.
- B) The only problem with the business consultants is that they are very expensive.
- C) The only problem with the employee training is that it is very expensive.
- D) The only problem with the planning of implementation is that it is very expensive.

Answer: B