

## Chapter 1

### Introduction to Business Processes

#### Multiple Choice Questions

1. Which term refers to business processes that are not executed by a single group or function?
  - a. Silo Effect
  - b. Cross-Functional
  - c. Functional Structure
  - d. Enterprise Systems
  - e. Organizational Structure

**Answer:** b

**Difficulty:** Easy

**Page Reference:** 1

**Section:** The Functional Organizational Structure

**Practice:**

2. Which term refers to a system in which workers complete their tasks in separate departments without regard to the consequences for the other components of the process?
  - a. ERP Effect
  - b. Cross-Functional
  - c. Functional Structure
  - d. Enterprise Systems
  - e. Silo Effect

**Answer:** e

**Difficulty:** Easy

**Page Reference:** 2

**Section:** The Functional Organizational Structure: The Silo Effect

**Practice:**

3. Which system supports business processes end to end?
  - a. Management System
  - b. Accounting System
  - c. Enterprise System
  - d. Functional Structure
  - e. Document System

**Answer:** c

**Difficulty:** Medium

**Page Reference:** 2

**Section:** The Functional Organizational Structure: The Silo Effect

**Practice:** Yes

4. Which of the following statements about business processes is true?

- a. They are executed across multiple functions.
- b. They are initiated by some type of trigger.
- c. They involve multiple steps.
- d. All of the above
- e. None of the above

**Answer:** d                      **Difficulty:** Medium                      **Page Reference:** 4  
**Section:** Business Processes

5. Which term represents a set of tasks or activities that produce desired outcomes?

- a. Business Process
- b. Trigger
- c. Outcome
- d. Enterprise Resource Planning
- e. None of the above

**Answer:** a                      **Difficulty:** Easy                      **Page Reference:** 4  
**Section:** Business Processes                      **Practice:**

6. Which term refers to all of the activities involved in buying or acquiring the materials used by the organization, such as raw materials needed to make products?

- a. Material Planning
- b. Procurement Process
- c. Production Process
- d. Fulfillment Process
- e. Lifecycle Data Management

**Answer:** b                      **Difficulty:** Medium                      **Page Reference:** 5  
**Section:** Business Processes                      **Practice:** Yes

7. Which process involves the actual creation of the products?

- a. Material Planning
- b. Procurement Process
- c. Production Process
- d. Fulfillment Process
- e. Lifecycle Data Management

**Answer:** c                      **Difficulty:** Medium                      **Page Reference:** 5  
**Section:** Business Processes                      **Practice:**

8. Which process uses historical data and sales forecasts to plan which materials will be procured and produced?

- a. Material Planning
- b. Procurement Process
- c. Production Process
- d. Fulfillment Process
- e. Lifecycle Data Management

**Answer:** a

**Difficulty:** Medium

**Page Reference:** 5

**Section:** Business Processes

**Practice:** Yes

9. Which process supports the design and development of products from the initial product idea stage through the discontinuation of the product?

- a. Material Planning
- b. Procurement Process
- c. Production Process
- d. Fulfillment Process
- e. Lifecycle Data Management

**Answer:** e

**Difficulty:** Medium

**Page Reference:** 5

**Section:** Business Processes

**Practice:**

10. Which process tracks the financial impact of process steps with the goal of meeting legal reporting requirements?

- a. Human Capital Management (HCM)
- b. Project Management
- c. Financial Accounting
- d. Management Accounting or Controlling (CO)
- e. None of the above

**Answer:** c

**Difficulty:** Medium

**Page Reference:** 6

**Section:** Business Processes

**Practice:**

11. Which process is used to plan and execute large projects such as the construction of a new factory or the production of complex products such as airplanes?

- a. Human Capital Management (HCM)
- b. Project Management
- c. Financial Accounting
- d. Management Accounting or Controlling (CO)
- e. None of the above

**Answer:** b

**Difficulty:** Medium

**Page Reference:** 6

**Section:** Business Processes

**Practice:**



16. What function does the warehouse perform in the fulfillment process?
- a. Prepares and sends the shipment to the customer
  - b. Communicates data related to the order to other parts of the organization
  - c. Tracks the order
  - d. Notifies the customer
  - e. None of the above

**Answer:** a

**Difficulty:** Easy

**Page Reference:** 8

**Section:** Business Processes: Procurement-Make

**Practice:** Yes

17. \_\_\_\_\_ is concerned with matching the demand for materials in the organization with the supply.
- a. Business Planning
  - b. The Silo Effect
  - c. Project Management
  - d. Material Planning
  - e. None of the above

**Answer:** d

**Difficulty:** Medium

**Page Reference:** 8

**Section:** Business Processes: Material Planning-Plan

**Practice:**

18. Which of the following is concerned with the storage and movement of materials?
- a. Business Planning
  - b. Silo Effect
  - c. Project Management
  - d. Material Planning
  - e. Inventory and warehouse management (IWM)

**Answer:** e

**Difficulty:** Medium

**Page Reference:** 9

**Section:** Business Processes: Inventory and Warehouse Management-Store

**Practice:**

19. \_\_\_\_\_ enables an organization to optimize its product development process, from design to market, while ensuring that it complies with industry, quality, and regulatory standards?
- a. Business Planning
  - b. Lifecycle Data Management
  - c. Project Management
  - d. Material Planning
  - e. None of the above

**Answer:** b

**Difficulty:** Medium

**Page Reference:** 10

**Section:** Business Processes: Lifecycle Data Management-Design

**Practice:**

20. \_\_\_\_\_ provides tools to manage and store documents securely and to keep track of the multiple versions of these documents?
- a. Document Management
  - b. Enterprise Management
  - c. Project Management
  - d. Material Planning
  - e. None of the above

Answer: a

Difficulty: Medium

Page Reference: 10

**Section:** Business Processes: Lifecycle Data Management-Design

**Practice:**

21. How does GBI Global sell its merchandise?
- a. Directly to customers
  - b. Via a network of specialized dealers
  - c. Via the Internet
  - d. All of the above
  - e. None of the above

Answer: b

Difficulty: Medium

Page Reference: 13

**Section:** Global Bicycle Incorporated (GBI)

**Practice:** Yes

22. Which of the following statements about SAP R/3 is true?
- a. It supports a single function or department
  - b. It is an end-to-end enterprise system
  - c. Sharing data between departments is problematic
  - d. None of the above

Answer: b

Difficulty: Medium

Page Reference: 15

**Section:** How to use this book: SAP Software and Certification

**Practice:** Yes