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This abbreviated version is provided to give candidates an overview of what is contained on the exams on a very high level.

For exam preparation, use of the current APICS CPIM ECM is strongly recommended.

New in 2013
Each participant guide includes the section of the APICS CPIM ECM related to the particular module.

Also available in 2013 is APICS CPIM Study Tools. This comprehensive, online component to the APICS CPIM program is an online learning environment designed to help you master the core concepts in each APICS CPIM module. APICS CPIM Study Tools contains presentation slides and assessments to complement your learning experience. Each APICS CPIM participant guide gives you access to APICS CPIM Study Tools.


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Basics of Supply Chain Management Exam

Abbreviated Exam Content

The following table identifies the four main topics of the exam. The relative importance of these topics varies among industries, but the figures show the percentage designated for each section of the exam.

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Content Outline

I. Business-wide Concepts

In this section, common management concepts and techniques—organization fundamentals, operating environments, financial fundamentals, enterprise resources planning, lean, total quality management, and theory of constraints—are presented.

A. Organization Fundamentals: The concept of a supply chain includes all activities and processes used to provide a product or service to the consumer. It also includes traditional conflicts among functional areas.

B. Operating Environments: Environments are the market-driven manufacturing strategies that determine specific operating decisions.

C. Financial Fundamentals: Basic financial statements define the financial reporting common to most businesses. Underlying costs and analysis terms provide further understanding of statement information and often serve as the basis for management decisions.

D. Enterprise Resources Planning (ERP): ERP is a framework for organizing, defining, and standardizing the business processes necessary to effectively plan and control an organization so that it can use its internal knowledge to seek external advantage. The objective for using ERP is the crossfunctional integration of planning, executing, controlling, and measuring functions required to effectively operate a business organization to meet customer expectations.

Key characteristics of ERP include its use as an integrated knowledge and decision making tool, cross-functional alignment of the organization, the closed loop (feedback) mechanism, what-if simulation capabilities, and integrated financial data and performance measurement functions.

E. Lean: Lean is a philosophy that emphasizes the minimization of the amount of all the resources (including time) used in the various activities of the enterprise.

F. Total Quality Management (TQM): TQM focuses on customer needs, including a specific set of tools to improve products, services, and processes through the use of techniques such as employee empowerment.

G. Theory of Constraints (TOC): A philosophy that focuses the resources of an organization on managing throughput and financial performance. Key characteristics and techniques include product flow analysis; throughput accounting; constraints management; and continuous improvement.

II. Demand Management

This section covers sources of demand for goods and services, including a basic understanding of markets, customer expectations, the definition of value, and an overview of demand planning.

A. Market Driven: Consumer needs, competitive sources, economic conditions, and government regulations determine the demand experienced by suppliers.

B. Customer Expectations and Definition of Value: A firm must determine the primary characteristics of products and services that are
attractive to customers and can be driven with appropriate market plans and production processes. Factors to include are order winners and qualifiers, voice of the customer, and the marketing strategy of the organization.

C. Demand Planning: Demand planning is the recognition of demand, either as forecast or actual customer orders. Once recognized, demand is met through a combination of inventories, purchase orders, and/or the master production schedule.

III. Transformation of Demand into Supply

This section includes the design of products and services, capacity management, planning, execution and control, and performance measurements.

A. Design: Design affects product and process; the resulting framework of planning system parameters; and the requirement for data appropriate in source, content, and accuracy. Design inputs include the voice of the customer.

B. Capacity Management: The function of establishing, measuring, monitoring, and adjusting limits or levels of capacity to execute all schedules. Capacity management encompasses resource requirements planning, rough-cut capacity planning, capacity requirements planning, input/output controls, and constraints management.

C. Planning: The process of setting goals for the organization and choosing how to use the organization’s resources to achieve them. These different planning techniques vary depending on traditional, lean, or theory of constraints operating environments.

D. Execution and Control: The interrelationships between production activity control techniques (input/output control, kanban, constraints management) and planning schedules are synchronized to meet customer service requirements.

IV. Supply

This section includes the actual or planned provision of a product, component, or service and its sustainability.

A. Inventory: Stocks or items used to support production (raw materials and work-in-process items); supporting activities (maintenance, repair, and operating supplies (MRO); and customer service (finished goods and service parts).

B. Purchasing Cycle: The function and responsibility for understanding demand; sourcing, procuring materials, supplies, or services; receiving goods; and approving invoices for payment.

C. Distribution: The link between the supplier and the customer to deliver product and services is facilitated by transportation, warehousing, distribution inventory, distribution channels, and reverse logistics. Total cost is used for decision making.