

## Midterm exam

▲ This is a preview of the draft version of the quiz

Started: May 3 at 4:59pm

## Question 1

5 pts

What is a valid definition of "risk"?

- The fluctuations (variability) around the expected value (mean) of a measure.
- A chance of danger, damage, loss, injury, or any other undesired consequences.
- A situation is risky when it entails exposure to two essential components: exposure to an event and the uncertainty of possible outcomes – both of which are necessary in completing a risky situation
- The risk of any particular type of loss is a combination of the probability of that loss and the significance of that loss to the individual or organization
- They are all valid definitions.

## Question 2

5 pts

Which is not one of the steps in the suggested "MIAMI" methodology used in supply chain risk management?

- Mapping
- Identifying
- Assessing
- Measuring
- Improving

## Question 3

5 pts

Before evaluating and managing risks, why is mapping the supply chain a useful activity?

- It provides knowledge of the internal structure and relationships.
- It shows processes, procedures, routines and flows.
- It helps in determining what might be at risk, or exposed.
- It is helpful for other organizational and managerial purposes, incl. planning and organizing.
- All of the above

## Question 4

5 pts

If you consider the probability versus impact matrix for assessing risks, with our current knowledge, in what category should the risk of a devastating meteor impact be placed (i.e. similar to the one thought to have caused the extinction of the dinosaurs)?

- Low probability, low impact
- Medium probability, low impact
-

High probability, high impact

- Low probability, high impact
- High probability, low impact

**Question 5**

5 pts

Which is not one of the classic risk mitigation methods in supply chain management?

- Buffering
- Collaboration
- Randomness
- Redundancies
- Visibility

**Question 6**

5 pts

Why are companies often indifferent or myopic in dealing with cargo or supply chain theft?

- Because they have poor IT systems that don't register if goods are missing.
- Because they have often received insurance settlements, and recovering stolen goods is uneconomical or a hassle.
- Because the managers are "in" on the crimes.
- Because admitting to theft could adversely affect stock prices and investor confidence.
- Answers 2 and 4

**Question 7**

5 pts

Which is not a generic risk handling strategy?

- Risk avoidance
- Risk enjoyment
- Risk transfer
- Risk mitigation
- Risk acceptance

**Question 8**

5 pts

U.S. Customs requires the Importer Security Filing \_\_\_ hours before the container is loaded overseas, while the U.S. Coast Guard requires the vessel arrival notice within \_\_\_ hours of arrival in the U.S., respectively.

- 96 hours and 24 hours
- 48 hours for both
- 24 hours and 96 hours
- 24 days and 96 days
- 24 days and 96 nautical miles

## Question 9

5 pts

Which area is not a hotspot for maritime piracy?

- The Arabian Sea
- The Hudson Bay
- The Strait of Malacca
- The waters off Nigeria
- None of the above

## Question 10

5 pts

What is the internationally recognized territorial limit?

- 3 nautical miles
- 12 kilometers
- 12 nautical miles
- 20 nautical miles
- 200 nautical miles

## Question 11

5 pts

The International Maritime Organization (IMO) is an agency under ...

- The U.S. Department of Homeland Security
- The Baltic and International Maritime Council (BIMCO)
- The U.S. Coast Guard
- The United Nations
- The Port of Tacoma

## Question 12

5 pts

The 2002 Maritime Transportation Security Act (MTSA) mandated the following:

- Port vulnerability assessments
- Port Facility Security Plans (FSP's)
- The Transportation Worker Identification Credential (TWIC)
- Area Maritime Security Committees
- All of the above

## Question 13

5 pts

What is a "dirty" bomb?

- A bomb fueled by conventional explosives, but containing radioactive material
- A bomb that triggers a thermo-nuclear explosion
- A bomb that contains pieces of metal to cause severe human injuries
- A bomb that does not follow the established rules for clean bombs
- A bomb that cannot be traced

**Question 14**

5 pts

What U.S. agency is responsible for implementing and enforcing most of the regulations of 33 CFR 105?

- The Federal Bureau of Investigation (FBI)
- The Customs and Border Patrol (CBP)
- The Army Corps of Engineers
- The U.S. Coast Guard
- The American Association of Ports Authorities (AAPA)

**Question 15**

5 pts

Supply chain risks are thought to follow a power law probability distribution. What does that mean?

- It follows a "heavy tail" distribution, where the probability of severe events falls exponentially
- The distribution function is represented with a normal distribution curve.
- It follows a "heavy tail" distribution, where the probability of severe events grows exponentially
- High impact (severe) risks happen at the same probability as low impact risks.
- None of the above

**Question 16**

5 pts

Which product category is not on the U.S. munitions list for export control?

- Military electronics
- Nuclear weapons, design and testing related items
- Materials, chemicals, microorganisms and toxins
- Vessels of war and special naval equipment
- Tanks and military vehicles

**Question 17**

5 pts

The ITAR is administered by ...

- The DOC's Bureau of Industry and Security
- The DHS's Customs and Border Protection
- The Department of Treasury's Office of Foreign Asset Control
-

The State Department's Directorate of Defense Trade Controls

- None of the above

**Question 18**

5 pts

What is a "Special Designated National"?

- A sports hero
- A Very Important Person (VIP)
- Individuals, organizations or companies sanctioned by the Office of Foreign Asset Control (OFAC)
- An inmate at Guantanamo Bay
- A Customs agent with a very special authorization

**Question 19**

5 pts

What is one thing the 2006 SAFE Port Act did not do?

- Required 100% X-ray scanning of incoming (foreign) containers
- Required 100% radiation scanning of incoming (foreign) containers
- Authorized federal monetary grants to port authorities
- Required the establishment of joint operations centers at critical ports
- Clarified the FSP (Facilities Security Planning) for ports

**Question 20**

5 pts

What is a resilient organization?

- An organization that is able to bounce back quickly following adversity
- An organization that is prepared and has post-event procedures and actions
- An organization that adapts well to changing circumstances
- All of the above
- None of the above

**Question 21**

10 pts

If there are frequent cases of cargo theft in your supply chain, what remedies or mitigation methods may be used to reduce the occurrence and minimize the impact of these disruptions?

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**Question 22**

10 pts

How do you think supply chains and operations up here in the Pacific Northwest can be directly or indirectly affected by piracy at sea in the Indian Ocean?

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**Question 23**

10 pts

In addition to preventing terrorist attacks, what other benefits derive from all the security legislation and measures implemented since 2001?

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**Question 24**

10 pts

What is the FAST (Free and Secure Trade) program? What is the difference with PAPS?

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**Question 25**

10 pts

Discuss what you see as connections (mutual benefits) between good security, safety and sustainability practices.

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