

Study Guide
for
Supply Chain Management Logistics

Test Number: 2992

Human Resources
Performance Assessment Services
Southern California Edison
An Edison International Company

Introduction

The **Supply Chain Management (SCM) Logistics Material Handler Test** is a job based knowledge test designed to cover the major knowledge areas necessary to perform the material handler job. This guide contains strategies to use for taking tests and a study outline, which includes knowledge categories, major job activities, and study references.

Test Session

It is important that you follow the directions of the Test Administrator *exactly*. If you have any questions about the testing session, be sure to ask the Test Administrator before the testing begins. During testing, you may not leave the room, talk, smoke, eat, or drink. Since some tests take several hours, you should consider these factors before the test begins.

Cellphones, pagers, or other electronic equipment will not be allowed in the testing area.

All questions on this test are multiple-choice. Multiple choice questions have four possible answers. All knowledge tests will be taken on the computer. For more information on this, please see the next section of this study guide, *Computer Based Testing*.

The knowledge test has a three hour time limit. A basic non-programmable calculator will be provided for you to use during the test.

You will not be able to bring or use your own calculator during testing.

You will receive a Test Comment form when you take this so that you can make comments about test questions. Write any comments you have and turn it in with your test when you are done.

Study Guide Feedback

At the end of this *Guide* you have been provided with a Study Guide Feedback page. If a procedure or policy has changed, making any part of this *Guide* incorrect, your feedback would be appreciated so that corrections can be made.

Computer Based Testing

Taking an SCE knowledge test on the computer is simple. You do not need any computer experience or typing skills. You will only use the keyboard to enter your candidate ID and password. You'll answer all questions by pressing a single button on the mouse.

Log in Screen

You will be seated at a testing station. When you are seated, the computer will prompt you to enter the candidate ID and password you received in your invitation e-mail. You **MUST** have your candidate ID and password or you will be unable to take the test. Once you have confirmed your identity by entering this information, you will see a list of tests available to you.

Sample/Tutorial

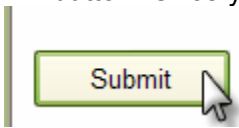
Before you start your actual test, a Sample/Tutorial Test is provided to help you become familiar with the computer and the mouse. From the list of exams that appear when you complete the log in, you will select Sample/Tutorial. You will have up to 10 minutes to take the Sample/Tutorial Test. The time you spend on this Sample Test DOES NOT count toward your examination time. Sample questions are included so that you may practice answering questions. In the Sample/Tutorial Test, you will get feedback on your answers. You will not receive feedback on your actual test.

Example

During the test, all of the items will be multiple choice items. Below is an example of a test item.

Overall Test Information

- When you begin the test, you can see the total time allowed for completion displayed at the top of the screen. You can scroll up to see that information at any time during the test.
- You can change your answers at any time during the test until the time runs out, or you click the "Submit" button. Once you click Submit, you can not change your answers.



Multiple Choice Questions

To answer each multiple choice question, you should move the mouse pointer over the circle (radio button) next to the answer of your choice, and click the left mouse button. A sample is shown below:

1. In order to answer each question, first read the question and determine the response that best answers the question. Put the mouse pointer directly over the circle corresponding to that response.



Time remaining: 29:54

Sample

Please select the best answer for each question below. If you have any comments, please record them on the Test Comments form given to you by the Test Administrator. Good luck!

1 of 13

Two resistors of 20 ohms each are connected in series. The total resistance of the circuit is _____ ohms.

- a. 10
- b. 20
- c. 30
- d. 40

2. While the pointer is over the circle corresponding to the best answer, click the left mouse button.



Click the left button when the pointer icon is over your answer choice.

3. The answer you selected should now have a green dot in the circle. If you need to select an alternate answer, simply move the pointer over that circle, and click again.



Time remaining: 28:59

Sample

Please select the best answer for each question below. If you have any comments, please record them on the Test Comments form given to you by the Test Administrator. Good luck!

1 of 13

Two resistors of 20 ohms each are connected in series. The total resistance of the circuit is _____ ohms.

- a. 10
- b. 20
- c. 30
- d. 40

Test Taking Strategies

Introduction

The purpose of this section is to help you to identify some special features of the tests you will be taking and to suggest techniques for you to use when taking them.

Your emotional and physical state during the test may determine whether you are prepared to do your best. The following list provides common sense techniques you can use before the test begins.

Technique

Remarks

Be confident

- o If you feel confident about passing the test, you may lose some of your anxiety.
- o Think of the test as a way of demonstrating how much you know, the skills you can apply, the problems you can solve, and your good judgment capabilities.

Be punctual

- o Arrive early enough to feel relaxed and comfortable before the test begins.

Concentrate

- o Try to block out all distractions and concentrate only on the test. You will not only finish faster but you will reduce your chances of making careless mistakes.
- o If possible, select a seat away from others who might be distracting.
- o If lighting in the room is poor, sit under a light fixture.
- o If the test room becomes noisy or there are other distractions or irregularities, mention them to the Test Administrator *immediately*.

Budget your time

- o Pace yourself carefully to ensure that you will have enough time to complete all items and review your answers.

Read critically

- o Read all directions and questions carefully.
- o Even though the first or second answer choice looks good, be sure to read all the choices before selecting your answer.

Make educated guesses

- o Make an educated guess if you do not know the answer or if you are unsure of it.

Changing answers

- o If you need to change an answer, be sure to erase your previous answer completely. On the computer, be sure that the new answer is selected instead of the old one.

Return to difficult questions

- o If particular questions seem difficult to understand, make a note of them, continue with the test and return to them later.

Doublecheck mathematical calculations

- o Use scratch paper to double check your mathematical calculations.

Review

- o If time permits, review your answers.
- o Do the questions you skipped previously.
- o Make sure each answer bubble is completely filled in. Erase any stray marks on your answer sheet. When testing on the computer, make sure each multiple choice question has a green dot next to the correct answer.

Remember the techniques described in this section are only suggestions. You should follow the test taking methods that work best for you.

Job Knowledge Areas and Study References

Below are the major job knowledge categories that are covered on the test, with the study references relating for each.

A. Material Handling Procedures

Knowledge of SCM Logistics procedures used to receive, transfer, issue and ship material, equipment and supplies. Includes the use of material handling equipment and vehicles to load/unload trucks, fill orders and transport materials from one location to another.

References:

- *Operating Rules for Industrial Trucks**

B. Material Storage Procedures

Knowledge of SCM Logistics procedures used to locate and stock material, equipment and supplies. Includes the use of material codes, material descriptions, storage bin or WM Bin, serial numbers and PO numbers to locate and stock materials inside warehouse and out in yard.

References:

- *Accident Prevention Manual (APM)**
- *Receipt of Material**

C. Documentation Procedures

Knowledge of SCM Logistics forms and procedures used for refilling orders, processing damaged materials and receiving/shipping material, equipment and supplies. Includes use of document filing system, distribution of forms and procedures for verifying information on material, documents and forms.

References:

- *Receiving, Put Away**
- *Basic Math Book or Math.com*

D. Computer Input, Retrieval and Verification Procedures.

Knowledge of the (SAP) procedures used on the on-line computer system for identifying, initiating or completing material movement transactions. Includes the use of SAP codes and transactions for receiving materials, purchase orders, receipts, corrections, unrestricted stock, processing damaged material, requisitions, reel transactions, transformer transactions and other types of material movement.

References

- *Job Knowledge & Study Guide**

E. Planning and Organizing.

Knowledge of written procedures as related to planning work routine and completing work assignments. Includes office policies and procedures, safe work practices and work flow procedures.

References:

- *United Parcel Service (1-800-PICK-UPS): Weights and Limits*
- *Accident Prevention Manual: Policy Section**
- *Safety Highlights**
- *Receipt of Material**
- *Operating Rules for Industrial Trucks**

*** All information needed for the test can be found on pages 8-17 in this Study Guide.**

Material Handler Test Job Knowledge & Study Guide

Introduction:

The **Material Handler Test** is a job based knowledge test & designed to cover areas necessary to perform the job. This study guide contains sample policies and processes within the SCM Logistics Organization to use for taking tests and includes knowledge categories, job activities, and study references.

Glossary of Terms

“B” Materials. Material items that are minor component parts of “Units of Property” and do not normally require detailed material accounting.

1. Minimum and maximum quantities for material items under this method are established by any Operating Stores subject to review of the SCM Logistic Analyst. Ordering action is always manual.

Unrestricted Stock. A physical portion of inventory maintained at warehouse/operating locations. All movements of material to or from this portion of inventory must be recorded and reported within SAP using the applicable transaction code.

Contract. An agreement issued to a supplier to cover material, equipment, or service purchases during a specified time period. A contract number is identified by 46 in the beginning values of the number, e.g. 460003895.

Goods Issues. Movements of material from a Storage Location’s inventory to a work order, internal order, cost center, or other cost object. Issues can be initiated either as system generated or manual transactions.

Lead Time is defined as the time that elapses from placement of an order until receipt of the order, including time for order transmittal, processing, preparation and shipping. At SCE this information is available in SAP and is called the Planned Delivery Time. For testable items, there is an additional lead time component referred to as the GR (Goods Receipt) Processing Time.

Material Master. The online Material Catalog is utilized for creation, inquiry, and maintenance of material coded items in SAP.

Material Numbered. An eight-digit non-smart number which identifies a material item to the SAP Material Master.

Material Management. The process of getting specified equipment, materials, supplies, and services from a source of supply to users. The objective of material management is to provide for user requirements at lowest overall cost to the Company. SAP’s functionality assist with coordinating and integrating material related data from all Company departments in order to achieve its corporate objective.

Supply Chain Management (SCM) The designated Business Process Owner of SAP’s Supply Chain functionality. In this capacity SCM is assigned the following responsibilities:

Receiving. These functions are performed at all Operating locations and Corporate Warehouses to which material is shipped or where services are received. Receiving locations

notify the system of all material receipts and of shipment conditions. Receiving transactions authorize payment of supplier invoices and updates inventory records for Operating locations and Corporate Warehouses.

Storage Location. A location which carries “on-the-books” inventory, and is designated within SAP as a 4-digit number value.

Rounding Profile Number of units normally contained in a supplier’s standard shipping package

Warehouse Management (WM) Bin and Inventory Management (IM) Storage. An indicator defining physical location of material stocked at a warehouse/operating location. WM managed SCM locations utilize the WM Bin, whereas IM managed Storage Locations utilize the Storage Bin field.

Transfers A transfer of inventory is typically initiated through the use of a Stock Transport Order (STO). An STO is a type of purchase order used to move materials internally between storage locations. There are two types of Stock Transport Orders used at Edison:

Two Step Transport Order: The two step transport order puts stock in transit and requires a manual GR at the receiving location as well as a manual GI against the work order.

One Step Transport Order: Stock is not put in transit and the goods receipt and goods issue to a cost object, e.g. work order, internal order, cost center, auto posts at the receiving location.

Material Types. Each SAP material coded item which resides in inventory is configured as either a HALB or UNBW Material Type. With HALB Material Type codes both the quantity and associated Moving Average Price (unit cost) are captured and tracked in inventory upon goods receipt. For UNBW Material Type codes, although the quantity is tracked in inventory, the unit cost is either pre-capitalized or expensed upon receipt and therefore the dollar amount is not tracked in inventory. This includes meters, distribution transformers, pre-capitalized spare parts and fuel.

Sample Procedure 1

Material Code and Catalog Procedure Establishing and Maintaining Emergency Stock of Materials in Corporate Warehouses and Operating Stores

1. **Emergency stock.** Emergency stock is defined as that specific quantity of material and/or equipment held in inventory in Corporate warehouses and operating stores to satisfy emergency requirements.
 - a. Emergency stock inventories are established, altered, or cancelled as required by written instruction from the appropriate department or division head to the SCM Logistics Representative.
 - b. Once located at the Corporate Warehouses and Operating Stores, emergency stock is released upon request from the appropriate department or division head or their authorized representative to the appropriate Corporate Warehouse or Operating Store manager or superintendent.

- c. If the division responsible for establishment of an item as emergency stock recommends that an emergency stock item be changed to Plant-SP Material Status 6 or 10, that division designates replacement codes for existing emergency stock or deletes the material code from emergency stock. Plant-SP Material Status 6 and 10 defined: see ESM 37.001.001.
 - d. If a division other than the division authorizing emergency stock recommends that an emergency item be changed to Plant-SP Material Status 10, the authorizing division approves the change and designates the replacement codes for the existing emergency stock.
 - e. If it is determined that a material code does not exist, the applicable form is completed to create a new number.
 - f. Spare parts (material, equipment, or components) are eligible for entry into emergency stock only when several potential applications exist and central storage is advisable.
2. **Information Access. Emergency Stock is tracked in SAP as Special Stock O – Subcontractor Stock, and can be accessed by processing transaction code MMBE.** A catalog, listing all quantities of material and equipment retained at each location, is available upon request to Procurement and Material Management — Logistics, Rosemead

Sample Procedure 2

Material and Service Receipts

A. General

Material and services furnished by suppliers should be acknowledged within 48 hours by using SAP to process an Inbound Delivery Goods Receipt for materials using transaction code VI32N, and processing a Service Entry Sheet (SES) to receipt for services using transaction code ML81N.

1. Completion of these transactions authorizes Accounts Payable to pay for the goods and services received.
2. For the purposes of this procedure, the date the materials arrive or are delivered to the location shall be entered into SAP as the "Posting Date"

B. Receipts Involving Carrier Claims – General

1. All deliveries are subject to immediate visual inspection by the receiving location to determine if any apparent damage or shortage exists.
2. Concealed damage may be discovered after the material has been delivered and unpacked. Since it is very difficult to determine the liability for concealed damage, it is important that the receiving location retain all packing materials and refrain from moving the damaged items(s). Edison Material Supply (EMS) Traffic Department will arrange for carrier inspection upon notification of the damage.
3. The Freight on Board (FOB) point, shown on the purchase order, identifies the location where legal responsibility for the item transfers from the supplier to SCE:
 - a. **FOB Origin: Freight Collect.** A copy of the carrier's inspection report and freight bill are forwarded to EMS Traffic for preparation of a claim against the carrier.
 - b. **FOB Delivered.** A copy of the carrier's inspection report and freight bill are forwarded to EMS Traffic to determine if the proper documentation for the carrier claim has been

obtained. The documents are forwarded to EMS Traffic to arrange for the supplier to file a carrier claim.

4. Questions regarding receipt of unsatisfactory material shipments that may require a carrier claim are referred to EMS Traffic.

C. Motor Carrier and Air Freight Shipments

1. When damage and/or shortages are apparent upon receipt, the receiving location will request the carrier driver to clearly note the problem on all copies of the carrier's freight bill or delivery receipt and obtain a signature of the driver and an SCE employee.
2. Special instructions for receipt of damaged material are as follows:
 - If the value of the damaged material exceeds \$100, the ordering location immediately notifies EMS Traffic who contacts the carrier and arranges for inspection.
 - Damaged material is not to be moved (if possible) from the location where the damage was initially discovered. To prevent inadvertent use of damaged material, the receiving location is to keep the shipment isolated from the remainder of the usable material.
 - All crating and/or packing materials in which the shipment was contained will be kept until the carrier has performed the formal inspection.
 - Damaged material is to be retained by the Receiving Location until disposition instructions are received from EMS Traffic

Sample Procedure 3

Corporate Warehouse Transfers Involving Material Movement

For returns to either the Irwindale Distribution Center (IDC) or the Westminster Distribution Center (WDC) a STR must be initiated by the operating store and approved by an SCM Representative. Returns to all other locations should be processed through the creation of a STO using transaction code ME21N. When material is transferred from an Operating store, the shipping store number is indicated by the Operating store in the issuing Storage Location. The appropriate warehouse store number is shown in the Storage Location field.

Initiate an SAP Notification and type MT using transaction code IW21 when approval is obtained from the Logistics analyst requesting Material Transportation to pick up material and transport it to the appropriate corporate warehouse location.

Verify that the material was received with the quantities pended and perform a goods receipt using the Inbound Delivery transaction code VL32N

Material items acceptable for stock are those items which have a Material Master record. for the corporate warehouse

Cautions in Shipping Items Containing Oil. To eliminate the possibility of spilling oil on highways, the following precautions are taken in shipping transformers, oil circuit breakers, oil-filled cutouts, oil-filled cable, etc.:

If oil-filled items are deemed salvageable, they are drained. Pieces of oil-filled cable are placed in drums, cable ends are soldered to prevent leakage if the cable is on a reel.

If oil-filled items are being returned as usable items, but show oil leaks, the oil level is lowered whenever advisable. If oil-filled cable is being shipped, it is double checked for the possibility of oil leaks and the cable ends are soldered as required.

Sample Procedure 4

Receiving /Put-away

- A. Material arrives at the receiving area
- B. Material is verified as to accuracy by checking it against the packer (shipping document)
 - i. Under and over shipments are controlled by the Purchasing Value Key within the Material Master. If material is damaged, it is first receipted for using an Inbound Delivery. It is then returned to vendor. If the purchase order is known, the return is processed using transaction code MIGO Return Delivery and Movement Type 122. If the purchase order is not known, create a return PO using transaction code ME21N.
- C. Verify P.O. status using ME23N and viewing the Purchase Order History tab.
 - a. If open, process accordingly
 - b. If closed, contact Supervisor for disposition
- D. Material is received through SAP
 - a. Material is placed into assigned warehouse Bin
 - b. All packers are turned in daily to Warehouse Clerk or Warehouse Supervisor

Sample Procedure 5

Receipt of Material

Material received must be receipted for within 48 hours of its arrival. However, for items requiring special inspection, this could take longer. Only material numbered items can be received into inventory. Non-coded material is purchased and charged directly to a cost object and capitalized or immediately expensed.

1. Material arrives at the receiving location.
2. Material is verified against the packing slip by a Material Handler.

If there is a discrepancy, refer to the above procedure.

3 Received Material is entered into SAP and a Material Document is generated. A valid PO and quantity are required and the date is hard coded by the system. The PO must be in an "open" status in SAP, meaning the PO is not completely receipted for. Material is put away in a WM Bin and recorded in SAP.

The goods receipt is processed and matched with the original packing slip verifying the accuracy of the:

- a. PO number
- b. Material code (s)
- c. Quantity received

Packing slips are filed at the receiving location

Accident Prevention Manual

- Employees shall report all industrial injuries and illnesses to the work location supervisor as soon as possible.
- Supervisors shall ensure that occurrence of any of the following is reported immediately to Corporate Safety, Claims/Law, Workers' Compensation, and appropriate Business Unit Management.
- Each employee shall use reasonable care in the performance of duties, and act in such a manner as to assure safety and health to themselves, their co-workers, and the public.
- Employees shall not engage in practical jokes scuffling, "horseplay" or the urging of person to take unnecessary chances.
- A tailboard, means, tailboard conference, pre-job briefing, tailgate meeting, or job procedure discussion, or talking the job over before starting to work to ensure all supervisors and members of each crew involved thoroughly understand the job to be performed and the method of accomplishing it in a safe manner. Before the start of each job or in the event the scope of the job changes, every supervisor shall call his/her crew together and outline the proper work procedure to be followed in such a manner that the following will be accomplished.
- Employees shall immediately report any defective tool, apparatus, equipment, or other hazardous condition or work practice to the most available supervisor.
- Unsafe or unhealthy conditions and/or work practices shall be corrected as soon as is practical.
- The following colors shall be used when barrier tape is used:

| | |
|---------|---|
| Red: | Danger or Stop |
| Orange | Identification of hazardous parts or machines |
| Yellow: | Caution |
| Blue: | Safety Information |
| Purple: | Radiation Hazards |
- A garment with full length sleeves (rolled down) shall be worn when working:
 1. On or with wood poles or crossarms.
 2. With hot or injurious liquids or materials.
 3. With open flames or sparks
 4. In proximity to exposed energized lines or equipment.
 5. Under such conditions as the supervisor in charge shall direct.

Sample Excerpts

Safety Highlights

Do not travel past the posted speed limit in the yard (5MPH).

If load obstructs operators view, forklift should be driven backwards.

Always wear your gloves when handling steel, wood, or other metal products. Beware of sharp edges.

If you are unclear about what you should be doing, how it should be done, or if you should even be doing it, always consult with supervision prior to attempting the task.

When moving transformers, the operator may only move as many transformers as can be fully engaged by the forks under the pallets.

At the end of the shift, review any problems that occurred while operating the forklift. Make sure that any mechanical problems are reported and a 43-7 is completed listing the problems is submitted to the garage.

Once the equipment is fully charged, the operator must move the equipment to check for fluid leaks. If a spill is found the following procedures must be followed:

- Go to the Battery Spill Kit (located by the charger) and remove goggles, vinyl gloves and baking soda.

- Pour the baking soda over the entire spill area. Wait until the fluid is completely absorbed.

- Pour absorbent (dries-it) material over the entire spill area, sweep up and dispose of accordingly.

When opening boxes that have been stapled, always remove all the exposed staples from the box.

When traveling with the forklift, the forks should be 2-4" in height.

Only trained and authorized employees can operate equipment.

If you feel you are being rushed, take a long breath to consider your actions and reactions.

Look out for your fellow employee(s).

When using a knife always cut away from you.

Use proper equipment and/or get assistance when handling heavy or awkward loads.

United Parcel Services (1-800-PICK-UPS):
Weights & Limits

Operating Rules for Industrial Trucks

Every employer using industrial trucks or industrial tow tractors shall post and enforce a set of operating rules.

Drivers shall check the vehicle at least once per shift, and if it is found to be unsafe, the matter shall be reported immediately to a foreman or mechanic, and the vehicle shall not be put in service again until it has been made safe. Attention shall be given to the proper functioning of tires, horn, lights, battery, controller, brakes, steering mechanism, cooling system, and the lift system for fork lifts (forks, chains, cable, and limit switches).

No truck shall be operated with a leak in the fuel system.

Vehicles shall not exceed the authorized or safe speed, always maintaining a safe distance from other vehicles, keeping the truck under positive control at all times and all established traffic regulations shall be observed. For trucks traveling in the same direction, a safe distance may be considered to be approximately 3 truck lengths or preferably a time lapse 3 seconds passing the same point.

Trucks traveling in the same direction shall not be passed at intersections, blind spots, or dangerous locations.

The driver shall slow down and should sound the horn at cross aisles and other locations where vision is obstructed. If the load being carried obstructs forward view, the driver shall be required to travel with the load traveling.

Operators shall look in the direction of travel and shall not move a vehicle until certain that all persons are in the clear.

Trucks shall not be driven up to anyone standing in front of a bench or other fixed object of such size that the person could be caught between the truck and object.

Grades shall be ascended or descended slowly.

When ascending or descending grades in excess of 10 percent, loaded trucks shall be driven with the grade upgrade.

On all grades the load and load-engaging means shall be tilted back if applicable, and raised only as far as necessary to clear the road surface.

Motorized hand and hand/rider trucks shall be operated on all grades with the load-engaging means downgrade.

To prevent railroad cars from moving during loading or unloading operations, the car brakes shall be set, wheel chocks or other recognized positive stops used, and blue flags or lights displayed in accordance with applicable regulations promulgated by the Public Utilities Commission.

The width of one tire on the powered industrial truck shall be the minimum distance maintained from the edge by the truck while it is on any elevated dock, platform, freight car or truck.

Railroad tracks shall be crossed diagonally, wherever possible. Parking closer than 8-1/2 feet from the centerline of railroad tracks is prohibited.

The rated capacity of all industrial lift trucks and industrial tractors shall be displayed at all times on the vehicle in such a manner that it is readily visible to the operator.

Industrial lift trucks and industrial tractors equipped with forks shall not be loaded beyond their designated capacity.

Every industrial truck and tractor shall be equipped with brakes or other effective devices adequate to bring the vehicle to a complete safe stop while fully loaded.

Every industrial truck and tractor shall be equipped with a parking brake or other effective device to prevent the vehicle moving when unattended.

Sample Questions

The following sample questions should give you some idea of the form the test will take.

- 1. When storing materials received on a broken pallet from a supplier, the material handler should:**
 - a. return the material.
 - b. remove and replace the pallet.
 - c. order another pallet from the supplier.
 - d. return only the pallet to the supplier.

- 2. A transformer's impedance may be determined from its:**
 - a. color.
 - b. faceplate.
 - c. brushings.
 - d. hanger strength.

- 3. According to the Accident Prevention Manual, unsafe or unhealthy conditions and/or work practices shall be corrected:**
 - a. immediately.
 - b. before the next safety inspection.
 - c. as soon as is practical.
 - d. within two weeks.

- 4. The transaction code _____ is used to return damaged material to the vendor when the purchase order is known.**
 - a. ME21N
 - b. MIGO
 - c. ME51N
 - d. ME23N

Answers to Sample Questions

The following are answers to the sample questions on the previous pages.

1. **b**
2. **b**
3. **c**
4. **b**

