

Test Bank for Operations Management 7th Edition by Stevenson

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Test Bank

Operations Management 7ce Edition by Stevenson Ch01

TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.

1) As a service business, the operations management activities of an airline company have nothing in common with the operations management activities within a bicycle manufacturing company.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Topic : 01-01 Introduction

Bloom's : Remember

Difficulty : Medium

2) Operations managers are responsible for managing activities and resources that produce goods and/or provide services.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Topic : 01-01 Introduction

Bloom's : Remember

Difficulty : Easy

3) Effectiveness refers to achieving intended goals whereas efficiency refers to minimizing cost and time.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Topic : 01-01 Introduction

Bloom's : Remember

Difficulty : Medium

Operations Management 7ce Edition by Stevenson Ch01

4) Operations, marketing, and finance function independently of each other in most organizations.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Bloom's : Remember

Difficulty : Medium

Topic : 01-02 Why Study Operations Management?

5) The operations function exists only in firms that are goods-oriented.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Easy

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

Bloom's : Understand

6) Operations management pertains almost exclusively to the management of manufacturing operations.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Easy

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

Bloom's : Understand

7) Value-added refers to the cost of the inputs required to produce goods and services.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

8) As long as a product is ready in advance of when customers demand it, the timing of when a product is manufactured does not influence the value-added.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

Bloom's : Understand

9) Storing an item earlier than the scheduled delivery date is an example of a value adding activity.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

Bloom's : Understand

10) Management information systems (MIS) are concerned with providing management with the information it needs to effectively manage.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-08 Other Functions

11) Operations management involves both system design and planning/control decisions.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

12) System design decisions have very little impact on planning/control decisions.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

13) An example of an operations control decision is the choice of location.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

Difficulty : Hard

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14) Scheduling jobs is a system design decision and not a planning decision.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

15) Design decisions are usually strategic and long term, while planning decisions are tactical and medium term.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

16) Managing inventory levels is considered a planning/control operations decision area.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

17) A basic difference between manufacturing and service organizations is that services are action-oriented and manufacturing is goods-oriented.

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- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

18) Service involves a much higher degree of customer contact than the production of goods.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

19) Service often requires a higher labour content, whereas the production of goods is more capital intensive.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

20) Measurement of productivity in service is more straightforward than in goods production due to the high degree of uniformity of inputs.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

21) Models are simplified representations of something and thus ignore important aspects of a situation.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-13 Models

22) Quantitative techniques are often quick and practical techniques for many decisions.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-14 Quantitative Techniques

23) A systems approach emphasizes interrelationships among subsystems, but its main theme is that the whole is greater than the sum of its individual parts.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-17 The Systems Approach

24) Queuing techniques are useful for analyzing situations in which waiting lines form.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-14 Quantitative Techniques

25) It is essential to use the systems approach when something is being designed, redesigned, implemented, improved, or otherwise changed.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Easy

Bloom's : Understand

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-17 The Systems Approach

26) A systems approach is to concentrate on efficiency within a subsystem and thereby achieve overall efficiency.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-17 The Systems Approach

Bloom's : Apply

27) Many operations management decisions can be described as trade-offs.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-16 Analysis of Trade-Offs

28) The Pareto phenomenon is one of the most important and pervasive concepts that can be applied at all levels of management.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-18 Establishing Priorities

29) Operations managers, who usually use quantitative approaches, have no responsibility to make ethical decisions.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-19 Ethics

30) Prior to the Industrial Revolution, goods were produced primarily by craftsmen or their apprentices using custom made parts.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-20 The Historical Evolution of Operations Management

31) Frederick Taylor spearheaded the scientific management movement in America.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-22 Scientific Management

32) The Human Relations Movement, which emphasized the importance of the human element in job design, was replaced by the more technical aspects of Scientific Management.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-23 The Human Relations Movement

33) The moving assembly line introduced by Henry Ford is an example of the development of mass production based on large volumes of standardized goods produced using low or semi-skilled workers and highly specialized equipment.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-22 Scientific Management

34) The impact of globalization for manufacturing companies has seen reduced reliance on long international supply chains because of the increasing cost to ship components and finished goods to foreign markets.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-08 Identify the major trends that affect operations management.

Topic : 01-26 Major Trends

35) The transformation process and feedback is useful in the control of manufacturing operations but does not apply to service operations.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

36) One responsibility of marketing is to identify customer wants and needs and communication them to operations.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-07 Marketing

37) One important piece of information sales needs from operations is the manufacturing lead time in order to give customers realistic estimates of how long it will take to fill their orders.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-07 Marketing

38) Quality assurance is less challenging in services, as services primarily produce intangibles.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

39) The operations manager has the ultimate responsibility for the creation of goods or performance of services.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-05 Discuss the operations manager's job.

Topic : 01-11 The Operations Manager's Job

40) Business analytics uses software to build models which in turn support decision making.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-24 Decision Models and Computers

41) North American management practices have had a significant impact on Japanese manufacturers.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-25 The Influence of Japanese Manufacturers

42) Lean production systems operate with lower amounts of inventory, so emphasis is placed on anticipating when problems might occur *before* they arise.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-25 The Influence of Japanese Manufacturers

43) Major trends that affect operations are only taken into account once strategies and tactics are in place.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-08 Identify the major trends that affect operations management.

Topic : 01-26 Major Trends

44) Concerns about global warming and pollution have caused governments to impose stricter environmental regulations on businesses.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-08 Identify the major trends that affect operations management.

Topic : 01-26 Major Trends

45) The difference between goods and services is that goods are mostly intangible and services are mostly tangible.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Topic : 01-01 Introduction

Bloom's : Remember

Difficulty : Easy

46) There are only two professional associations involved in the field of operations management.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Bloom's : Remember

Difficulty : Easy

Topic : 01-03 Careers in Operations Management

47) Finance and operations cooperate by exchanging information and expertise.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-06 Finance

48) Operations interfaces with supporting functions such as maintenance and human resources.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-08 Other Functions

49) Managers use performance metrics to manage and control operations.

- ☐ true
- ☐ false

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-15 Performance Metrics

50) Worker and product safety fall under an operations manager's ethical issues.

- ☐ true
- ☐ false

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Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-19 Ethics

MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.

51) Operations management encompasses all of the following EXCEPT:

- A) buying materials.
- B) capacity planning.
- C) scheduling.
- D) motivating employees and training.
- E) preparing financial statements.

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Topic : 01-01 Introduction

Bloom's : Remember

Difficulty : Medium

52) All of the following are reasons for studying operations management EXCEPT:

- A) A large percentage of a company's expenses occur in the operations management activities that are at the core of all business organizations.
- B) Activities in all of the other areas of business organizations, such as accounting and marketing are interrelated with operations management activities.
- C) Many management jobs are in operations management-related areas, such as production planning, inventory management, and more.
- D) The study of operations management applies to manufacturing, however, it is of little use in service organizations.
- E) Operations innovations lead to marketplace and strategic benefits.

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Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Difficulty : Medium

Topic : 01-02 Why Study Operations Management?

Bloom's : Understand

53) The three primary functions that exist in most business organizations are:

- A) manufacturing, production, and operations.
- B) operations, marketing, and finance.
- C) operations, accounting, and finance.
- D) operations, production, and finance.
- E) operations, sales and marketing.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-04 Functions Within Organizations

54) The three major functions of business organizations:

- A) perform differently but their functions and processes are similar.
- B) are related indirectly only.
- C) must work together, but not very closely.
- D) function independently of each other.
- E) perform similar and related activities.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-04 Functions Within Organizations

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55) Which of the following is not a type of service operations?

- A) Retail trade
- B) Transportation and warehousing
- C) Fabrication of metals
- D) Banking
- E) Hotels and restaurants

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

56) Measurements taken at various points in the transformation process for control purposes are called:

- A) plans.
- B) directions.
- C) controls.
- D) feedback.
- E) proposals.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

Difficulty : Hard

57) Measuring process outputs at various points in order to compare outputs to previously established standards to determine if corrective action is needed is called:

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- A) planning and directing.
- B) directing and conversion.
- C) feedback and control.
- D) controlling and leading.
- E) leading and transformation.

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

Bloom's : Apply

58) Value-added refers to:

- A) the cost of inputs.
- B) the price of outputs.
- C) the difference between cost of inputs and the value or price of outputs.
- D) the extra profit obtained from increased productivity.
- E) the ratio of outputs compared to inputs.

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

Bloom's : Understand

Difficulty : Hard

59) Economic analysis of investment proposals, and provision of funds are activities associated with the:

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- A) operation function.
- B) marketing function.
- C) purchasing function.
- D) finance function.
- E) industrial engineering function.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-06 Finance

60) The marketing function's main concern is with:

- A) producing goods or providing services.
- B) assessing customer wants and needs.
- C) procuring materials, supplies, and equipment.
- D) performing economic analysis of investment proposals.
- E) securing monetary resources.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-07 Marketing

61) Planning decisions are usually _____ and _____ term.

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- A) strategic; long
- B) tactical; medium
- C) forecasting; short
- D) strategic; short
- E) tactical; long

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

62) Which of the following doesnot relate to system design?

- A) Long term capacity
- B) Location of facilities
- C) Inventory management
- D) Process design
- E) Departmental layout

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

Difficulty : Hard

63) Tactical planning and control activities involve making decisions about all of the following EXCEPT:

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- A) location of facilities.
- B) scheduling.
- C) material requirements planning.
- D) project management.
- E) inventory management.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

Difficulty : Hard

64) System capacity and location of facilities are examples of:

- A) financial decisions.
- B) tactical decisions.
- C) systems design decisions.
- D) operational planning decisions.
- E) forecasting decisions.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Understand

Learning Objective : 01-03 Describe the scope of operations management and provide an overview of thi

Topic : 01-09 The Scope of Operations Management

Difficulty : Hard

65) The responsibilities of operations managers classified as planning activities include:

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- A) inventory, production pace, quality, and costs.
- B) organizing departments, subcontracting, supplier contracts, and staffing.
- C) forecasting, planning, organizing, and directing.
- D) scheduling, job assignments, purchasing, and logistics.
- E) capacity, location, layout, and mix of products.

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-05 Discuss the operations manager's job.

Topic : 01-11 The Operations Manager's Job

66) Which of the following responsibilities of operations managers is considered a directing activity rather than a planning or control activity?

- A) selecting production equipment
- B) product mix decisions
- C) scheduling workers
- D) inventory management
- E) layout of production facilities

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-05 Discuss the operations manager's job.

Topic : 01-11 The Operations Manager's Job

67) Of the following, which aspect of the evolution of operations management is affiliated with Japanese manufacturing companies?

Operations Management 7ce Edition by Stevenson Ch01

- A) total quality management
- B) scientific management
- C) the human relations movement.
- D) the industrial revolution.
- E) craft production

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Hard

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-25 The Influence of Japanese Manufacturers

68) Which isnot a significant difference between manufacturing and service operations?

- A) Cost per unit
- B) Uniformity of output.
- C) Labour content of jobs.
- D) Amount of customer contact.
- E) Measurement of productivity.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Hard

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

69) Which of the following isnot a characteristic of service operations?

Operations Management 7ce Edition by Stevenson Ch01

- A) Intangible output.
- B) High customer contact.
- C) High labour content.
- D) Easy measurement of productivity.
- E) Low uniformity of output.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

70) The responsibilities of operations managers classified as controlling activities are:

- A) inventory, production pace, quality, and costs.
- B) organizing departments, subcontracting, supplier contracts, and staffing.
- C) forecasting, planning, organizing, and directing.
- D) scheduling, job assignments, purchasing, and logistics.
- E) capacity, location, layout, and mix of products.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Hard

Learning Objective : 01-05 Discuss the operations manager's job.

Topic : 01-11 The Operations Manager's Job

71) Which of the following is not a general approach to decision-making?

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- A) Establishing priorities
- B) Subjective approach
- C) Analysis of trade-offs
- D) Systems approach
- E) Quantitative approaches

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-12 Operations Managers and Decision Making

72) Which of the following is not a characteristic of models used to support decision making?

- A) They provide a simplified representation of a design problem.
- B) They ignore unimportant details, concentrating on the most important aspects of a situation.
- C) They may be based on mathematical representations or graphical schematics.
- D) They provide abstract representations of a design problem.
- E) They are limited to representations of objective quantitative factors.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-13 Models

73) Which of the following is not true about the systems approach?

Operations Management 7ce Edition by Stevenson Ch01

- A) It recognizes the importance of taking into account the impact on all parts of the system.
- B) It emphasizes interrelationships among subsystems.
- C) It concentrates on efficiency within subsystems.
- D) It becomes essential whenever something is being redesigned or improved.
- E) The objectives of the whole take precedence over those of any one part.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-17 The Systems Approach

74) Which is not a quantitative technique to problem solving?

- A) Linear programming
- B) Queuing techniques
- C) Statistical techniques
- D) Heuristic approach
- E) Forecasting techniques

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Hard

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-14 Quantitative Techniques

75) Dealing with the fact that certain aspects of any management situation are more important than others is called:

Operations Management 7ce Edition by Stevenson Ch01

- A) analysis of trade-offs.
- B) sensitivity analysis.
- C) establishing priorities.
- D) analysis of variance.
- E) decision analysis.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-18 Establishing Priorities

76) The fact that improvements in a few key areas of operations will have more impact than many improvements in less significant areas is referred to as the _____.

- A) forecasting approach
- B) Pareto phenomenon
- C) productivity challenge
- D) analysis of trade-offs
- E) ethical dilemma

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-18 Establishing Priorities

77) Which of the following developments related to the historical evolution of operations management is the oldest?

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- A) The human relations movement advocated by Mayo, Maslow, and Hertzberg.
- B) The introduction of the moving assembly line by Henry Ford.
- C) Scientific management principles espoused by Frederick Taylor.
- D) The principle of division of labour documented in Adam Smith's book *The Wealth of Nations*.
- E) The influence of Japanese management practices.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-21 The Industrial Revolution

78) Which of the following is not properly matched?

- A) Mathematical model for inventory management-Elton Mayo
- B) Division of labour-Adam Smith
- C) Scientific Management-F. W. Taylor
- D) Motion study-Frank and Lillian Gilbreth
- E) Moving assembly line-Henry Ford

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-20 The Historical Evolution of Operations Management

79) Which of the following is not a major trend influencing the strategies of manufacturing organizations?

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- A) Globalization
- B) The Internet and e-commerce
- C) Introduction of mass production
- D) Supply chain management
- E) Technological advances

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-08 Identify the major trends that affect operations management.

Topic : 01-26 Major Trends

80) Operating at minimum cost and time is referred to as _____.

- A) Value added
- B) Efficiency
- C) Effectiveness
- D) Trade-offs
- E) Economies of scale

Question Details

Accessibility : Keyboard Navigation

Learning Objective : 01-01 Define the term operations management and identify operations management j

Topic : 01-01 Introduction

Bloom's : Remember

Difficulty : Medium

81) Which of the following functions is mostly service based, as identified in the "goods-service" continuum?

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- A) Automotive assembly
- B) Automotive repair
- C) Restaurant meal
- D) Software development
- E) Teaching

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Learning Objective : 01-02 Identify the three major functions of organizations and describe how they

Topic : 01-05 Operations

Difficulty : Hard

82) The service industry in Canada has been growing. According to Statistics Canada, what percent of jobs are in services?

- A) More than 29%
- B) More than 48%
- C) More than 58%
- D) More than 79%
- E) More than 84%

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Hard

Learning Objective : 01-04 Compare production of goods and services.

Topic : 01-10 Differentiating Production of Goods and Services

83) A balance achieved between two incompatible features is referred to as (a) _____.

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- A) Break even
- B) Quantitative technique
- C) Heuristic
- D) Trade-off
- E) Systems approach

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-16 Analysis of Trade-Offs

84) In the Historical Evolution of Operations Management. Which of the following was emphasized during the Human Relations Movement era?

- A) Division of labour
- B) The importance of workers in work design.
- C) The use of economic incentives
- D) The transfer of control from workers to management
- E) The development of time and motion studies.

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-23 The Human Relations Movement

85) Many major trends affect operations. Disaster preparation and response falls under which major trend?

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- A) Technology
- B) Globalization
- C) Supply chains
- D) Internet and ecommerce
- E) Sustainability

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Hard

Learning Objective : 01-08 Identify the major trends that affect operations management.

Topic : 01-26 Major Trends

86) The number of defective parts produced in a given time period would be measured and managed by which of the following performance metrics?

- A) Forecast accuracy
- B) Quality
- C) Inventory
- D) Schedules
- E) Flexibility

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-15 Performance Metrics

87) Moral principles that govern a person's behaviour are called what?

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- A) Priorities
- B) Trade-Offs
- C) Work design
- D) Ethics
- E) Motivation

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-06 Describe the key aspects of operations management decision making.

Topic : 01-19 Ethics

88) The substitution of machine power for human power was an innovation specific to what?

- A) The industrial revolution
- B) Scientific management
- C) The human relations movement
- D) The Japanese influence on manufacturing
- E) The division of labour

Question Details

Accessibility : Keyboard Navigation

Difficulty : Easy

Bloom's : Understand

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-21 The Industrial Revolution

89) These software systems are used to coordinate sales, materials management, production and accounting/finance activities.

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- A) Material requirements planning (MRP)
- B) Electronic data interchange (EDI)
- C) Enterprise resource planning (ERP)
- D) Decision models (DM)
- E) Business analytics (BI)

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Medium

Learning Objective : 01-07 Briefly describe the historical evolution of operations management.

Topic : 01-24 Decision Models and Computers

90) This involves the sequencing of organizations involved in producing and delivering a product.

- A) Globalization
- B) Inventory control
- C) Logistics
- D) Supply chains
- E) Job assignments

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-08 Identify the major trends that affect operations management.

Topic : 01-26 Major Trends

91) This refers to the reduced use of resources and harm to the environment.

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- A) Logistics
- B) Sustainability
- C) Material requirements planning
- D) Cost control
- E) Globalization

Question Details

Accessibility : Keyboard Navigation

Bloom's : Remember

Difficulty : Easy

Learning Objective : 01-08 Identify the major trends that affect operations management.

Topic : 01-26 Major Trends

92) Which of the following is NOT considered a Green initiative?

- A) Reducing packaging
- B) Buying locally
- C) Expanding globalization
- D) Conserving water and energy use
- E) Recycling

Question Details

Accessibility : Keyboard Navigation

Difficulty : Medium

Bloom's : Understand

Learning Objective : 01-08 Identify the major trends that affect operations management.

Topic : 01-26 Major Trends

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Answer Key

Test name: Ch01

- 1) FALSE
- 2) TRUE
- 3) TRUE
- 4) FALSE
- 5) FALSE
- 6) FALSE
- 7) FALSE
- 8) FALSE
- 9) FALSE
- 10) TRUE
- 11) TRUE
- 12) FALSE
- 13) FALSE
- 14) FALSE
- 15) TRUE
- 16) TRUE
- 17) TRUE
- 18) TRUE
- 19) TRUE
- 20) FALSE
- 21) FALSE
- 22) FALSE
- 23) TRUE
- 24) TRUE
- 25) TRUE
- 26) FALSE

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- 27) TRUE
- 28) TRUE
- 29) FALSE
- 30) TRUE
- 31) TRUE
- 32) FALSE
- 33) TRUE
- 34) FALSE
- 35) FALSE
- 36) TRUE
- 37) TRUE
- 38) FALSE
- 39) TRUE
- 40) TRUE
- 41) FALSE
- 42) TRUE
- 43) FALSE
- 44) TRUE
- 45) FALSE
- 46) FALSE

The text lists eight professional associations.

- 47) TRUE
- 48) TRUE
- 49) TRUE
- 50) TRUE
- 51) E
- 52) D
- 53) B
- 54) A
- 55) C

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- 56) D
- 57) C
- 58) C
- 59) D
- 60) B
- 61) B
- 62) C
- 63) A
- 64) C
- 65) E
- 66) C
- 67) A
- 68) A
- 69) D
- 70) A
- 71) B
- 72) E
- 73) C
- 74) D
- 75) C
- 76) B
- 77) D
- 78) A
- 79) C
- 80) B
- 81) E
- 82) D
- 83) D
- 84) B
- 85) E

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86) B

87) D

88) A

89) C

90) D

91) B

92) C