**Concept Check Questions for Learning Objectives**

**Chapter 1 – Introduction to Operations and Supply Chain Management**

***The Operations Function***

1. The operations function interacts with
   1. Marketing
   2. Suppliers
   3. Human resources
   4. Finance
   5. All answer choices are correct

Difficulty: Easy

Answer: d

Learning Objective: 1.1 Describe what the operations function is and how it relates to other business functions.

1. Operations is often described as
   1. the creative core of an organization
   2. a transformation process
   3. the source of firm profitability
   4. all answer choices are correct

Difficulty: Easy

Answer: b

Learning Objective: 1.1 Describe what the operations function is and how it relates to other business functions.

***The Evolution of Operations and Supply Chain Management***

1. \_\_\_\_\_ helped to enable the Industrial Revolution.
   1. Linear programming
   2. Quality circles
   3. Interchangeable parts
   4. The Internet

Difficulty: Easy

Answer: c

Learning Objective: 1.2 Discuss the key factors that have contributed to the evolution of operations and supply chain management.

1. The *Principles of Scientific Management* were proposed by
2. Adam Smith
3. Henry Ford
4. Frederick Taylor
5. Elton Mayo

Difficulty: Easy

Answer: c

Learning Objective: 1.2 Discuss the key factors that have contributed to the evolution of operations and supply chain management.

1. Supply chain management emerged as
   1. companies started to outsource production
   2. the number of suppliers for each company grew
   3. globalization expanded the reach of suppliers and customers
   4. all answer choices are correct

Difficulty: Easy

Answer: d

Learning Objective: 1.2 Discuss the key factors that have contributed to the evolution of operations and supply chain management.

1. The quality revolution was brought to us by
   1. Germany
   2. Japan
   3. China
   4. Mexico

Difficulty: Easy

Answer: b

Learning Objective: 1.2 Discuss the key factors that have contributed to the evolution of operations and supply chain management.

***Globalization***

1. Globalization has grown rapidly due to
   1. World trade agreements
   2. The Internet
   3. Outsourcing
   4. All answer choices are correct

Difficulty: Easy

Answer: d

Learning Objective: 1.3 Discuss how and why businesses operate globally, and the importance of globalization in supply chain management.

1. Which of the following countries has the highest hourly wage rate?
   1. Norway
   2. U.S.
   3. Germany
   4. South Korea

Difficulty: Moderate

Answer: a

Learning Objective: 1.3 Discuss how and why businesses operate globally, and the importance of globalization in supply chain management.

1. Companies go global to
   1. take advantage of favorable costs
   2. gain access to international markets
   3. build reliable sources of supply
   4. all answer choices are correct

Difficulty: Easy

Answer: d

Learning Objective: 1.3 Discuss how and why businesses operate globally, and the importance of globalization in supply chain management.

1. Which of the following countries has the highest trade in goods as a percent of GDP?
   1. U.S.
   2. Germany
   3. Japan
   4. China

Difficulty: moderate

Answer: b

Learning Objective: 1.3 Discuss how and why businesses operate globally, and the importance of globalization in supply chain management.

***Productivity and Competitiveness***

1. The most common measure of productivity is
   1. Labor productivity
   2. Multifactor productivity
   3. Material productivity
   4. Technological productivity

Difficulty: Easy

Answer: a

Learning Objective: 1.4 Calculate and interpret productivity measures used for measuring competitiveness.

1. Productivity is defined as
2. output over input
3. input over output
4. process yield
5. exports minus imports

Difficulty: Easy

Answer: a

Learning Objective: 1.4 Calculate and interpret productivity measures used for measuring competitiveness.

***Strategy and Operations***

1. A company's \_\_\_\_\_\_\_\_\_\_\_\_ is what they do better than anyone else.
2. primary task
3. core competence
4. order qualifier
5. positioning strategy

Difficulty: Easy

Answer: b

Learning Objective: 1.5 Discuss the importance of operations and supply chain management to a firm's strategy, and the process of developing, aligning, and deploying strategy.

1. The balanced scorecard keeps strategy on track by measuring
2. Finance, marketing, operations, and human resources
3. Finance, customers, processes, and learning and growing
4. Shareholder value, customer satisfaction, production efficiency, and worker satisfaction
5. Inputs and outputs to each critical process

Difficulty: Moderate

Answer: b

Learning Objective: 1.5 Discuss the importance of operations and supply chain management to a firm's strategy, and the process of developing, aligning, and deploying strategy.

1. \_\_\_\_\_\_\_\_ converts strategy into measurable objectives down through the organization.
2. Strategic positioning
3. Policy deployment
4. Production planning
5. Vertical integration

Difficulty: easy

Answer: b

Learning Objective: 1.5 Discuss the importance of operations and supply chain management to a firm's strategy, and the process of developing, aligning, and deploying strategy.

4. The last factor considered in a purchasing decision is the

1. order qualifier
2. order winner
3. quality factor
4. core competency

Difficulty: Easy

Answer: b

Learning Objective: 1.5 Discuss the importance of operations and supply chain management to a firm's strategy, and the process of developing, aligning, and deploying strategy.