

1. Defining customer service has not been attempted over the years; it is just too complicated.
True False
2. Products are the only output considered in customer service.
True False
3. The concept or practice of customer service is new.
True False
4. In the past when many people worked on farms, small artisans and business owners provided customer service to their neighbors.
True False
5. The mail order catalog concept was introduced in the late 1800s by companies such as Sears Roebuck and Montgomery Ward.
True False
6. According to the U.S. Bureau of Labor Statistics, the long-term shift from goods producing to service-producing employment is expected to decline.
True False
7. From an industry perspective, only workers employed in professional and business services are likely to work at home and telecommute.
True False
8. Technology allows workers to work independently from home; therefore, many customer-service related jobs are done in a home instead of an office.
True False
9. Deregulation is the removal of government restrictions on an industry.
True False
10. The number of women in the workforce continues to grow and is projected to increase from about 47 percent in 2000 to approximately 75 percent in 2010.
True False
11. Businesses today have only external customers.
True False
12. A business that uses knowledge as a basis for competitive advantage is known as a learning organization.
True False
13. Customer service is the ability of knowledgeable and capable employees to deliver products to their external and internal customers.
True False
14. The concept of identifying customer needs, understanding and influencing customer behavior through on-going communication strategies in an effort to acquire, retain and satisfy the customer is known as customer relationship management.
True False

15. Overall employment in the goods producing industries has been relatively stagnant since the early 1980's and is expected to decline 4.0 percent over 2004 – 2014.
True False
16. According to the 2007 U.S. Census figures, 62% of the U.S. homes reported using internet access.
True False
17. Employees who work from their homes or satellite locations are considered to be telecommuting.
True False
18. In a 2009 Ad/Media/The Harris Poll of over 2,000 individuals stated they made cuts over the past year in their personal spending due to the economy.
True False
19. The youth labor force aged 16 to 24 is expected to continue to decline by 1.4 million between 2011 – 2018.
True False
20. Off shoring refers to the practice of contracting with third-party companies outside the organization.
True False
21. Customer satisfaction is the viewpoint or feelings of a person who has used your services or goods.
True False
22. During the early days of business growth, many sold or bartered products from their homes in what became known as:
A. Customers and clients
B. Cottage industries
C. The service sector
D. Montgomery Ward
23. Technology has not affected jobs in which of the following ways:
A. Quantity of jobs created
B. Distribution of jobs
C. Fewer professionals to design systems
D. Quality of jobs
24. Telephone sales and product support services can easily be handled by a customer:
A. Visiting the main office
B. Calling a designated 800 number
C. Being relocated to another branch
D. Being put on hold while service is searched
25. According to the US Census figures for 2007:
A. 62 percent of US households have and use Internet access
B. The use of e-mail is declining rapidly
C. A small percentage uses search engines
D. The use of the Internet is down from 1998 figures
26. A term applied to an ongoing trend of information, knowledge and resource sharing around the world is:
A. Networking
B. Telecommuting
C. Globalization
D. Deregulation

27. Prime-age workers are classified by the U.S. Bureau of Labor Statistics as those between the ages of:
- A. 50-68
 - B. 16-24
 - C. 55 and older
 - D. 25-54
28. A type of business that is independently owned and operated and is not dominant in its field of operation is a:
- A. Small business
 - B. Large corporation
 - C. Entrepreneur
 - D. Middle-management operation
29. Surfing the Net for goods has coined a new term in technology for accessing goods and services called:
- A. E-commerce
 - B. B2B
 - C. SBA
 - D. Y2K
30. Summaries that condense current business publications to a three- or four-page synopsis of key points are:
- A. Executive book summaries
 - B. Book reports
 - C. Executive summaries or abstracts
 - D. Personal shopping guides
31. The customer service environment is made up of six components of which customer, organizational culture, human resources, products/deliverables and delivery systems comprise five. The sixth component is:
- A. The computer
 - B. The building plans
 - C. Service
 - D. Management
32. Employees of other departments or branches, coworkers and other people who work within the same organization are:
- A. External customers
 - B. Internal customers
 - C. Online customers
 - D. Current customers
33. Those who actively seek out, research and buy, rent or lease products or services offered by a business are its:
- A. External customers or clients
 - B. Internal customers
 - C. Online customers only
 - D. Call center personnel
34. The two potential areas of customer satisfaction or dissatisfaction about a deliverable are:
- A. Price and taxes
 - B. Earnings ratio or profit
 - C. Quality and quantity
 - D. Color and style

35. When one applies for a job, those who take care in recruiting, selecting and training of qualified people may be called:
- A. Human resources
 - B. The employment group
 - C. Applicants
 - D. Customers
36. The frontline service representatives, the standard bearers for an organization, who set the tone for how others view the organization, are the:
- A. Data entry/order clerks
 - B. Service technicians
 - C. Members of management
 - D. Receptionist/front desk clerks
37. Employees who perform telemarketing service need strong self-confidence and other personal skills because of the:
- A. Low salary they receive
 - B. Number of rejections to offers and irate calls they receive
 - C. Lack of training usually offered
 - D. Lack of up-to-date equipment and training
38. Simply stated, the manner in which you and other employees treat your customers and each other as you deliver your company's product(s) or other deliverables is known as:
- A. Outsourcing
 - B. Education and training
 - C. Service
 - D. The competition
39. A term which describes an organization that uses knowledge as a competitive advantage is:
- A. A learning organization
 - B. The Fifth Discipline
 - C. Networking
 - D. A cottage industry
40. A concept in which employees can act without asking first for management intervention to resolve a customer issue is called:
- A. A learning organization
 - B. Service recovery
 - C. Networking
 - D. Outsourcing
41. All are common characteristics for leading edge customer-focused organizations except:
- A. Have internal customers
 - B. Have external customers
 - C. Management rewards random employee efforts
 - D. Build relationships through customer relationship management
42. A _____ is the term used to describe the trend in which businesses have shifted from primarily production and manufacturing to more service delivery.
- A. Service economy
 - B. Cottage industries
 - C. Post shift economy
 - D. Production paradigm
43. The leading economists state, "today's economy is affecting jobs," in all but one of the following:
- A. Overall quality of the job
 - B. Quantity of jobs
 - C. Distribution of jobs
 - D. Quality of jobs

44. The abbreviation B2B means _____.
A. Business times 2
B. Brand to Brand
C. Brokering to Business
D. Business to Business
45. North American Free Trade Agreement (NAFTA) includes all of the following countries except:
A. South America
B. Canada
C. Mexico
D. United States
46. More women in the workplace means all of the following except:
A. Traditional roles have stabilized
B. Women have more disposable income
C. Earning ratio to males has decreased
D. Women have gained a larger share of the workforce
47. The key component in a customer-focused environment is the:
A. Organizational culture
B. Products
C. Customer
D. Service
48. _____ is an element of an organization that the customer experiences.
A. Human Resources
B. Organizational culture
C. Service environment
D. Delivery culture
49. Discuss the meaning of the term organizational culture.
50. Explain the one focus in common of all customer-based organizations.

ch01 Key

1. (p. 7) FALSE
2. (p. 7) FALSE
3. (p. 8) FALSE
4. (p. 8) TRUE
5. (p. 9) TRUE
6. (p. 10) FALSE
7. (p. 13) FALSE
8. (p. 13) TRUE
9. (p. 19) TRUE
10. (p. 21) FALSE
11. (p. 22 - 27) FALSE
12. (p. 26) TRUE
13. (p. 7) TRUE
14. (p. 7) TRUE
15. (p. 16) FALSE
16. (p. 17) TRUE
17. (p. 13) TRUE
18. (p. 15) TRUE
19. (p. 17) TRUE
20. (p. 18) FALSE
21. (p. 26) TRUE
22. (p. 9) B
23. (p. 10) C
24. (p. 13) B
25. (p. 17) A
26. (p. 18) C
27. (p. 23) D
28. (p. 33) A
29. (p. 23) A
30. (p. 23) A
31. (p. 26) C
32. (p. 27) B
33. (p. 27) A
34. (p. 31) C
35. (p. 28) A
36. (p. 29) D

37. (p. 30) B

38. (p. 32) C

39. (p. 32) A

40. (p. 33) B

41. (p. 7) C

42. (p. 9) A

43. (p. 11) B

44. (p. 18) D

45. (p. 19) A

46. (p. 21) A

47. (p. 26) C

48. (p. 28) B

49. (p. 28) Organizational culture is what the customer experiences. This culture is made up of a collection of subcomponents, each of which contributes to the overall service environment made up of factors including: the customer, organizational culture, human resources, products/deliverables, delivery systems and service.

50. (p. 33) All customer-based organizations must provide service excellence and an environment in which customer needs are identified and satisfied.

ch01 Summary

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