

8. A product is defined as new *only* if:

- A. It incorporates a radical new technology.
- B. It adds multiple new attributes or features to an existing product.
- C. It is a completely new invention.
- D. None of the above.**

9. Which of the following would be the considered the *least risky* new product?

- A. New category entry
- B. Cost reduction**
- C. New market
- D. New-to-the-world

10. Product planning is often described as being:

- A. Unnecessary.
- B. Simple to execute.
- C. Difficult to execute.**
- D. Impossible to execute.

## Chapter Two

### True-False questions

1. If the technical side of a company is in charge of product development efforts, the goal is usually to be market driven; meaning, obtain a large market share.

**FALSE**

2. Informal social meetings help with integration and collaboration.

**TRUE**

3. The project program approach to organizational structure is best if a company is focused on multiple small projects.

**FALSE**

4. A functional teams is the type of team best suited for product development activities.

**FALSE**

5. The core team is best described as consisting of the original and permanent members of the team.

**TRUE**

### Multiple-choice questions

1. Traditionally, product development is the responsibility of either the \_\_\_\_\_ or \_\_\_\_\_ functions/departments in a company.

A. Marketing, Production

B. Management, Finance

**C. Marketing, R&D/Engineering**

D. Operations, R&D/Engineering

2. Primary responsibility for product development efforts amongst the various departments and functions within a company is determined based on:

A. Company history.

B. Company culture.

C. Company objectives.

**D. All of the above.**

3. \_\_\_\_\_ serves to reduce the physical distances between team members.
- A. Informal social systems
  - B. Co-location**
  - C. Incentive systems
  - D. Personnel movement
4. \_\_\_\_\_ serves to structure decision-making and establish responsibilities within the team.
- A. Formal product planning.**
  - B. Incentive systems.
  - C. Co-location.
  - D. Project approach.
5. Integration and collaboration can be achieved using the following methods:
- A. By being market driven.
  - B. By having informal social systems.**
  - C. By incorporating a Stage-Gate™ process.
  - D. By identifying customers' needs and wants.
6. The functional approach to organizational structure is:
- A. The simplest approach.**
  - B. The least popular approach.
  - C. Least likely to create conflicts.
  - D. Best suited for companies that deal with large scale projects.
7. The matrix management approach to organizational structure incorporates a \_\_\_\_\_ department into the overall structure.
- A. Project Management.**
  - B. Product Development.
  - C. Product Management.
  - D. None of the above.
8. A venture team is best suited for fixing minor product related issues.
- A. Agree.
  - B. Disagree.**
  - C. Neither agree nor disagree.
  - D. None of the above.
9. A functional team is \_\_\_\_\_ .
- A. Completely focused on competition objectives.
  - B. Completely focused on departmental objectives.**
  - C. Completely focused on company objectives.
  - D. Focused on non-monetary objectives.

10. The core team consists of:

A. C-Suite executives in charge of running the company.

**B. Original and permanent member of the product development team.**

C. The core engineers responsible for bring the product to fruition.

D. Members of the company's board of directors.