

Student name: _____

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

1) Efficiency means doing the right things to create the most value for the company.

- ☐ true
- ☐ false

2) Effectiveness means doing the right things to create the most value for the company.

- ☐ true
- ☐ false

3) A doctor completes a surgical procedure on a patient without error. The patient dies anyway. In operations management terms, we could refer to this doctor as being efficient but not effective.

- ☐ true
- ☐ false

4) A worker can be efficient without being effective.

- ☐ true
- ☐ false

5) A process can be effective without being efficient.

- ☐ true
- ☐ false

6) Operations and supply chain management

is defined as the design, operation, and improvement of the systems that create and deliver the firm's primary products and services.

- ☐ true
- ☐ false

7) The term "value" refers to the relationship between quality and the price paid by the consumer.

- ☐ true
- ☐ false

8) Attempting to balance the desire to efficiently use resources while providing a highly effective service may

create conflict between the two goals.

- ☐ true
- ☐ false

9) Central to the concept of operations strategy are the notions of operations focus and trade-offs.

- ☐ true
- ☐ false

10) OSCM is concerned with management of the trickiest parts of the system that produces a good or delivers a service.

- ☐ true
- ☐ false

11) OSCM is a functional field of business with clear line management responsibilities.

- ☐ true
- ☐ false

12) The supply network can be thought of as a pipeline through which cash, material, and information flow.

- ☐ true
- ☐ false

13) Supply networks cannot be constructed for every product or service.

- ☐ true
- ☐ false

14) "Operations" refers to manufacturing and service processes used to transform resources employed by a firm

into products desired by customers.

- ☐ true
- ☐ false

15) "Supply chain" refers to processes that move information and material to and from the manufacturing and

service processes of the firm.

- ☐ true
- ☐ false

16) "Supply chain" includes only inbound freight and inventory.

- ☐ true
- ☐ false

17) It is critical that a sustainable strategy meet the needs of shareholders and employees first, and then focus on preserving the environment.

☐ true

☐ false

18) Planning is where a firm must determine how anticipated demand will be met with available resources.

☐ true

☐ false

19) Although planning involves determining how the various supply chain processes (sourcing, making, delivering, and returning) will be met, planning itself is not considered a supply chain process.

☐ true

☐ false

20) The supply chain processes mentioned in the textbook are planning, sourcing, delivering, and returning.

☐ true

☐ false

21) All managers should understand the basic principles that guide the design of transformation processes.

☐ true

☐ false

22) Operations and supply management changes constantly because of the dynamic nature of competing in global business and the constant evolution of information technology.

☐ true

☐ false

23) Internet technology has made the sharing of reliable real-time information expensive.

- ☐ true
- ☐ false

24) Capturing information directly from the source through such systems as point-of-sale, radio-frequency identification tags, bar-code scanners, and automatic recognition has had little impact on operations and supply chain management.

- ☐ true
- ☐ false

25) Use of systems like point-of-sale, radio-frequency identification tags, bar-code scanners, and automatic recognition has made it more difficult to understand what all the information is saying.

- ☐ true
- ☐ false

26) Operations and supply chain processes can be conveniently categorized as planning, sourcing, making, and delivering.

- ☐ true
- ☐ false

27) A major aspect of planning involves developing a set of metrics to monitor the supply chain.

- ☐ true
- ☐ false

28) Returning involves processes for receiving worn-out, defective, and excess products back from customers but does not involve support for customers who have problems with the product.

- ☐ true
- ☐ false

29) Delivering is not considered in supply chain analysis when outside carriers are contracted to move products to customers.

- ☐ true
- ☐ false

30) Services are intangible processes that cannot be weighed or measured.

- ☐ true
- ☐ false

31) Service innovations can be patented.

- ☐ true
- ☐ false

32) Services are homogeneous.

- ☐ true
- ☐ false

33) Services are defined and evaluated as a package of features that affect the five senses.

☐ true

☐ false

34) Automobiles and appliances are classified as "pure goods."

☐ true

☐ false

35) Core service providers integrate tangible goods into their product.

☐ true

☐ false

36) "Product-service bundling" refers to a company building service activities into its product offerings for its customers.

☐ true

☐ false

37) In contrast to careers in finance and marketing, careers in OSCM involve hands-on involvement with people and processes.

☐ true

☐ false

38) A supply chain manager is an OSCM job while a purchasing manager is not.

☐ true

☐ false

39) Just-in-time (JIT)

production was a major breakthrough in manufacturing philosophy pioneered by the Japanese.

- ☐ true
- ☐ false

40) Lean manufacturing refers to just-in-time production coupled with total quality control.

- ☐ true
- ☐ false

41) The Baldrige National Quality Award was started under the direction of the National Institute of Standards and Technology.

- ☐ true
- ☐ false

42) The approach that advocates making revolutionary changes as opposed to evolutionary changes is called "creation theory."

- ☐ true
- ☐ false

43) The approach that advocates making revolutionary changes as opposed to evolutionary changes is called

"business process reengineering."

- ☐ true
- ☐ false

44) Business process reengineering, which seeks revolutionary change, is contrasted with total quality management which commonly advocates incremental change.

☐ true

☐ false

45) The "triple bottom line" relates to the economic, employee, and environmental impact of a firm's strategy.

☐ true

☐ false

46) Sustainability is the ability to maintain profits in a system.

☐ true

☐ false

47) "Green belt" programs are coordinated public works projects aimed at placing an environmentally friendly zone around major cities.

☐ true

☐ false

48) Green and black belt programs teach six-sigma quality tools to managers at many corporations.

☐ true

☐ false

49) The central idea of supply chain management is to apply a total system approach to managing the flow of information, materials, and services from raw material suppliers through factories and warehouses to the end customer.

☐ true

☐ false

50) The term "electronic commerce" refers to the buying and selling of electronic products and devices.

☐ true

☐ false

51) The term "electronic commerce" refers to the use of the Internet as an essential element of business activity.

☐ true

☐ false

52) "Business analytics" involves the analysis of data through a unique combination of linear programming, game theory, and queuing theory to better solve business problems.

☐ true

☐ false

53) The mathematical results of Business Analytics are used to automate decision making and eliminate the decision maker.

☐ true

☐ false

54) Services cannot be stored.

☐ true

☐ false

55) Service does not require interaction with the customer.

Ⓐ true

Ⓐ false

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

56) One reason for studying operations and supply chain

A) OSCM is essential for understanding organizational behavior.

B) Most business graduates do OSCM work regardless of their job title.

C) All managers should understand the basic principles that guide the design of transformation processes.

57) The goods-services continuum consists of which set of the following categories?

A) No goods, some goods, even mix, some service, no service

B) Pure goods, core goods, core services, pure services

C) No service, some service, good service, excellent service

58) Which of the following are defined as core goods?

A) Chemicals

B) Airlines

C) Data storage systems

59) Which of the following are not listed in the text as jobs in OSCM?

A) Department store manager

management (OSCM) is which of the following?

D) OSCM is a required course in all business degree programs.

E) OSCM is the most rigorous business discipline.

D) Self-service, help desk service, face-to-face service, service-with-a-smile

E) None of these choices are correct

D) Hotels

E) None of these choices are correct

B) Project manager

- C) Hospital administrator
- D) Data center manager

E) Call center manager

60) Which of the following is not a characteristic that distinguishes services from goods?

- A) Service jobs are unskilled.
- B) A service is intangible.
- C) Services are perishable.

D) Services are heterogeneous.

E) None of these choices are correct

61) Which of the following is not a way that operations and supply processes are categorized?

- A) Planning
- B) Return

C) Delivery

D) Selecting

E) Making

62) One of the "package of features" that make up a service is:

- A) appearance
- B) facilitating goods

C) packaging

D) cost

E) implied use

63) Which of the following is not a measure of operations and supply chain management efficiency used by Wall Street?

- A) Inventory turnover
- B) Revenue per employee
- C) Receivable turnover

D) Earnings per share

E) Asset turnover

64) Which of the following is a measure of operations and supply management efficiency used by Wall Street?

- A) Dividend payout ratio
- B) Current ratio
- C) Receivable turnover

- D) Earnings per share growth
- E) Financial leverage

65) All other things remaining the same, if the sales revenue increases, asset turnover ratio will

- A) increase.
- B) decrease.
- C) stay the same.

- D) may increase or decrease.
- E) there is no way to tell for sure.

66) Inventory turnover measures:

- A) the efficiency in turning inventory into sales.
- B) liquidity.
- C) the speed of receivables collection.
- D) liquidity and the efficiency in turning inventory

into sales.

- E) none of the these.

67) The correct order in the good-services continuum is

- A) pure services - core Services - core goods - pure goods.
- B) pure goods - pure services - core services - core goods.
- C) pure goods - pure services - core goods - core services.

- D) pure goods - core goods - core services - pure services.
- E) core goods - core services - pure goods - pure services.

A) No goods, some goods, even mix, some service, no service

B) Pure goods, core goods, core services, pure services

C) No service, some service, good service, excellent service

D) Self-service, help desk service, face-to-face service, service-with-a-smile

E) None of these choices are correct

69) _____ consists of the processes needed to operate an existing supply chain strategically.

A) Planning

B) Sourcing

C) Making

D) Delivering

E) Returning

70) _____ involves the selection of suppliers that will deliver the goods and services needed to create the firm's product.

A) Planning

B) Sourcing

C) Making

D) Delivering

E) Returning

71) _____ is where the major product is produced or the service provided.

A) Planning

B) Sourcing

C) Making

D) Delivering

E) Returning

72) _____ is where carriers are picked to move products to warehouses and customers, coordinate

and schedule the movement of goods and information through the supply network, develop and operate a network of

- A) Planning
- B) Sourcing

warehouses, and run the information systems.

- C) Making
- D) Delivering
- E) Returning

73) _____ involves processes for receiving worn-out, defective, and excess products back from customers and support for customers who have problems with delivered products.

- A) Planning
- B) Sourcing

- C) Making
- D) Delivering
- E) Returning

74) Which of the following is not a “Core Service”?

- A) Hotels
- B) Airlines

- C) Internet service providers
- D) Universities

75) What is the term that emphasizes how a factory’s capabilities could be used strategically to gain advantage over a competing company?

- A) Manufacturing strategy
- B) Just-in-time
- C) Total quality control

- D) Lean manufacturing
- E) Total quality management

76) This philosophy is an integrated set of activities designed to achieve high-volume production using minimal inventories of parts that arrive exactly when they are needed.

- A) Manufacturing strategy
- B) Just-in-time
- C) Total quality control

- D) Lean manufacturing
- E) Total quality management

77) This concept aggressively seeks to eliminate causes of production defects.

- A) Manufacturing strategy
- B) Just-in-time
- C) Total quality control

- D) Lean manufacturing
- E) Total quality management

78) This philosophy seeks to achieve high customer service with minimum levels of inventory investment.

- A) Manufacturing strategy
- B) Just-in-time
- C) Total quality control

- D) Lean manufacturing
- E) Total quality management

79) What is known as managing the entire organization so it excels in all dimensions of products and services important to the customer?

- A) Manufacturing strategy
- B) Just-in-time
- C) Total quality control

- D) Lean manufacturing
- E) Total quality management

Answer Key

Test name: chapter

1

- 1) FALSE
- 2) TRUE
- 3) TRUE
- 4) TRUE
- 5) TRUE
- 6) TRUE
- 7) TRUE
- 8) TRUE
- 9) TRUE
- 10) FALSE
- 11) TRUE
- 12) FALSE
- 13) FALSE
- 14) TRUE
- 15) TRUE
- 16) FALSE
- 17) FALSE
- 18) TRUE
- 19) FALSE

20) FALSE

21) TRUE

22) TRUE

23) FALSE

24) FALSE

25) FALSE

26) FALSE

27) TRUE

28) FALSE

29) FALSE

30) TRUE

31) FALSE

32) FALSE

33) TRUE

34) FALSE

35) TRUE

36) TRUE

37) TRUE

38) FALSE

39) TRUE

40) TRUE

- 41) TRUE
- 42) FALSE
- 43) TRUE
- 44) TRUE
- 45) TRUE
- 46) FALSE
- 47) FALSE
- 48) TRUE
- 49) TRUE
- 50) FALSE
- 51) TRUE
- 52) FALSE
- 53) FALSE
- 54) TRUE
- 55) FALSE
- 56) C
- 57) B
- 58) C
- 59) D
- 60) A
- 61) D

62) B

63) D

64) C

65) A

66) D

67) D

68) B

69) A

70) B

71) C

72) D

73) E

74) D

75) A

76) B

77) C

78) D

79) E