

Name _____

[/test-bank-operations-and-supply-chain-management-2e-collie](#)

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Indicate whether the statement is true or false.

1. A process invariably resides within a department or traditional management function.
 - a. True
 - b. False
2. Preproduction services of a value chain include warranty and claim services.
 - a. True
 - b. False
3. Vehicles, furniture, and dishwashers are examples of nondurable goods.
 - a. True
 - b. False
4. The higher the customer participation in service processes, the more certainty a firm has with respect to service time and capacity.
 - a. True
 - b. False
5. If the value ratio for a good or service is high, the good or service is perceived favorably by customers.
 - a. True
 - b. False
6. Big data analytics is intended to support service businesses such as virtual banking.
 - a. True
 - b. False
7. The intangible nature of a service makes it difficult to keep a competitor from copying a service encounter design.
 - a. True
 - b. False
8. Proportional increases or decreases in the perceived benefits and the price of a product result in no net change in the value of the product.
 - a. True
 - b. False
9. A pair of running shoes is an example of a durable good.
 - a. True
 - b. False

Indicate the answer choice that best completes the statement or answers the question.

10. Jane is planning to go on a camping trip. She purchases a bottle of mineral water, a pack of biscuits, a small tube of toothpaste, and a toothbrush from the supermarket near her house. The items that Jane has purchased from the supermarket are _____ goods.
 - a. hard

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- b. durable
- c. nondurable
- d. intangible

11. A _____ good is one that is no longer useful once it's used, or lasts for less than three years.

- a. heavy-duty
- b. nondurable
- c. hard
- d. slow-moving consumer

12. Which of the following is an example of a general management process in a business?

- a. Research and development
- b. Inventory management
- c. Technology acquisition
- d. Human resource management

13. In order to increase value, an organization must:

- a. increase perceived benefits while decreasing actual benefits.
- b. increase both perceived benefits and price or cost proportionally.
- c. decrease both perceived benefits and price or cost proportionally.
- d. decrease price or cost while holding perceived benefits constant.

14. _____ is defined as the perception of the benefits associated with a good, service, or bundle of goods and services in relation to what buyers are willing to pay for them.

- a. Value
- b. Equity
- c. Turnover
- d. Revenue

15. In the context of the pre- and postproduction services perspective of a value chain, which of the following are postproduction services of a value chain?

- a. Purchasing services
- b. Recycling and remanufacturing initiatives
- c. Contract negotiations
- d. Product and service guarantees

16. A _____ is a sequence of activities that is intended to create a certain result, such as a physical good, a service, or information.

- a. process
- b. matrix
- c. variant
- d. task

17. Which of the following statements is true of a value chain?

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- a. The pre- and postservice framework of a value chain emphasizes that service is a critical component of traditional manufacturing processes.
 - b. The input-output framework of a value chain suggests that the value chain begins with inputs from customers.
 - c. A value chain solely focuses on the operations function of an organization.
 - d. A value chain is narrower in scope than a supply chain.
18. A _____ good is one that does not quickly wear out and typically lasts at least three years
- a. durable
 - b. soft
 - c. consumer packaged
 - d. fast-moving consumer
19. Which of the following statements is true of service employees?
- a. They require good human interaction skills and strong cross-selling skills.
 - b. They perform mechanized and rigid processes.
 - c. They have little or no interaction with customers.
 - d. They rely more on hard technology than soft technology to perform work.
20. Which of the following statements is true of operations management (OM)?
- a. The application of the concepts and methods of OM is limited to the technology industry.
 - b. OM is the only function by which managers can directly affect the value provided to all stakeholders.
 - c. The activities involved in OM focus on creating value solely for external customers.
 - d. OM and its principles are exclusively applicable to firms that produce tangible products.
21. Purchasing is a key activity performed by operations managers that involves:
- a. determining when resources such as employees and equipment should be assigned to work.
 - b. using technology to improve productivity and respond faster to customers.
 - c. coordinating the acquisition of materials, supplies, and services.
 - d. ensuring that goods, services, and processes will meet customer expectations and requirements.
22. Building a high-performing organization with a capable leadership and workforce is an example of _____ sustainability.
- a. economic
 - b. technological
 - c. political
 - d. environmental
23. _____ refers to raw materials, work-in-process, or finished goods that are maintained to support production or satisfy customer demand.
- a. Throughput
 - b. A variant
 - c. A subsidy
 - d. Inventory

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24. Which of the following statements is true of service facilities?

- a. They need to be in close proximity to customers.
- b. They store their services as physical inventory.
- c. They require employees with stronger technical skills than behavioral skills.
- d. They rely more on hard technology than soft technology to perform work.

25. _____ centers are warehouses that act as intermediaries between factories and customers, shipping directly to customers or to retail stores where products are made available to customers.

- a. Production
- b. Distribution
- c. Cost
- d. Business recovery

26. Which of the following is a similarity between goods and services?

- a. Both can be standardized for the mass market or customized to individual needs.
- b. Both use physical inventory as a buffer for fluctuations in demand.
- c. Both require customers to participate extensively in the creation and delivery processes.
- d. Both can be protected by patents owing to their tangible nature.

27. Which of the following statements is true of goods?

- a. Goods-producing industries rely on machines and hard technology to perform work.
- b. Goods-producing employees require stronger behavioral skills than physical skills.
- c. The demand for goods is more difficult to predict than the demand for services.
- d. Durable goods are those that are no longer useful once they are used.

28. In the context of the pre- and postproduction services perspective of a value chain, which of the following statements is true of postproduction services?

- a. They focus solely on gaining new customers.
- b. They include contract negotiations.
- c. They focus on keeping existing customers.
- d. They include good and service guarantees.

29. _____ management is defined as the science and art of ensuring that goods and services are created and delivered successfully to customers.

- a. Operations
- b. Communications
- c. Network
- d. Security

30. One of the key activities that operations managers perform is _____ management: ensure that the right amount of resources (labor, equipment, materials, and information) is available when needed.

- a. quality
- b. supply chain
- c. network

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d. resource and capacity

31. Identify a difference between goods and services.

- a. Goods can be stored as physical inventory, whereas services cannot be stored as physical inventory.
- b. Goods-producing firms rely solely on soft technology, whereas service-providing firms rely solely on hard technology.
- c. The demand for goods cannot be predicted, whereas the demand for services can be easily predicted.
- d. Customers directly participate in goods-producing activities, whereas customers do not participate in service-providing activities.

32. In the context of the pre- and postproduction services perspective of a value chain, which of the following statements is true of preproduction services?

- a. They focus on gaining a customer.
- b. They include on-site installation and application services.
- c. They focus solely on keeping an existing customer.
- d. They include recycling and remanufacturing initiatives.

33. Which of the following can be classified as a support process in a business?

- a. Product manufacturing
- b. Technology acquisition
- c. Human resource management
- d. Order shipment

34. A _____ is a network of facilities and processes that describes the flow of materials, finished goods, services, information, and financial transactions from suppliers, through the facilities and processes that create goods and services, and those that deliver them to the customer.

- a. product-process matrix
- b. product life cycle
- c. value chain
- d. business cycle

35. Predictive analytics is used by organizations to:

- a. analyze business policies through visual representations.
- b. identify the best decisions for a particular situation.
- c. understand past and current performance.
- d. envisage the future by detecting patterns and relationships in data.

36. A gracious welcome by an employee at the hotel check-in counter is an example of:

- a. social sustainability.
- b. predictive analytics.
- c. a service blueprint.
- d. a moment of truth.

37. A _____ is a customer benefit package (CBP) feature that departs from the standard CBP and is normally location specific or firm specific.

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- a. bottleneck
- b. peripheral product
- c. core product
- d. variant

38. Ensuring consumer safety in using goods and services is an example of _____ sustainability.

- a. social
- b. economic
- c. political
- d. environmental

39. Which of the following is an example of a primary service?

- a. The cooling provided by an air conditioner
- b. The customer service hotline of an electronics company
- c. A pen drive given along with a laptop
- d. An antivirus program given along with a smartphone

40. _____ refers to an organization's ability to strategically address current business needs and successfully develop a long-term strategy that embraces opportunities and manages risk for all products, systems, supply chains, and processes to preserve resources for future generations.

- a. Sustainability
- b. Scalability
- c. Scheduling
- d. Forecasting

41. In the context of customer benefit packages, _____ services are those that are not essential to the primary service, but enhance it.

- a. core
- b. tertiary
- c. peripheral
- d. central

42. Which of the following statements is true of goods-producing processes?

- a. They use employees as a substitute for physical inventory.
- b. They require extensive customer participation in service creation and delivery.
- c. They require more flexibility and adaptation to special circumstances than service processes.
- d. They are mechanistic and controllable because of the lack of customer participation.

43. Which of the following statements is true of sustainability?

- a. Sustainability practices lead to better public perception.
- b. Sustainability practices are limited to service-providing firms.
- c. The use of sustainable technology reduces short-term operational costs.
- d. The application of sustainable technology is limited to the agriculture industry.

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44. Jason and his friend went to a coffee shop. They ordered two cappuccinos and received a complimentary chocolate waffle and cookie along with their order. In the context of a customer benefit package (CBP), the chocolate waffle and the cookie are _____.

- a. intangible products
- b. core offerings
- c. peripheral goods
- d. primary goods

45. _____ sustainability is an organization's commitment to maintain healthy communities and improve the quality of life.

- a. Environmental
- b. Economic
- c. Social
- d. Political

46. _____ is an example of a nondurable good.

- a. An airplane
- b. Software
- c. Furniture
- d. A dishwasher

47. Service encounter design is a key activity performed by operations managers that involves:

- a. managing the flow of materials, information, people, and money from suppliers to customers.
- b. ensuring that the right amount of resources is available when needed.
- c. predicting the future demand for raw materials, finished goods, and services.
- d. determining how to recover from service upsets.

48. _____ is a key activity performed by operations managers that involves deciding the best way to assign people to work tasks and responsibilities.

- a. Forecasting
- b. Process design
- c. Job design
- d. Reengineering

49. North Zone Bank gives all its customers a complimentary credit card along with a custom-made wallet when they open an account with the bank. The credit card and the wallet are examples of _____ offered by the bank.

- a. peripheral goods
- b. core offerings
- c. intangible products
- d. primary goods

50. When business analytics is used to understand past and current performance, it is called _____ analytics.

- a. decision
- b. descriptive
- c. predictive

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d. prescriptive

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Answer Key

1. False
2. False
3. False
4. False
5. True
6. True
7. True
8. True
9. False
10. c
11. b
12. d
13. d
14. a
15. b
16. a
17. a
18. a
19. a
20. b
21. c
22. a
23. d
24. a

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25. b

26. a

27. a

28. c

29. a

30. d

31. a

32. a

33. b

34. c

35. d

36. d

37. d

38. a

39. a

40. a

41. c

42. d

43. a

44. c

45. c

46. b

47. d

48. c

49. a

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50. b