

Chapter 01 Introduction to Operations Management

True / False Questions

1. As a service business, the operations management activities of an airline company have nothing in common with the operations management activities within a bicycle manufacturing company.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-01 Define the term operations management and identify operations management jobs.

Topic: 01-01 Introduction

2. Operations managers are responsible for managing activities and resources that produce goods and/or provide services.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-01 Define the term operations management and identify operations management jobs.

Topic: 01-01 Introduction

3. Effectiveness refers to achieving intended goals whereas efficiency refers to minimizing cost and time.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-01 Define the term operations management and identify operations management jobs.

Topic: 01-01 Introduction

4. Operations, marketing, and finance function independently of each other in most organizations.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-04 Functions within Organizations

5. The operations function exists only in firms that are goods-oriented.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-04 Functions within Organizations

6. Operations management pertains almost exclusively to the management of manufacturing operations.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-01 Define the term operations management and identify operations management jobs.

Topic: 01-01 Introduction

7. Value-added refers to the cost of the inputs required to produce goods and services.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-05 Operations

8. As long as a product is ready in advance of when customers demand it, the timing of when a product is manufactured does not influence the value-added.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-05 Operations

9. Storing an item earlier than the scheduled delivery date is an example of a value adding activity.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-05 Operations

10. Management information systems (MIS) are concerned with providing management with the information it needs to effectively manage.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-08 Other Functions

11. Operations management involves both system design and planning/control decisions.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

12. System design decisions have very little impact on planning/control decisions.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

13. An example of an operations control decision is the choice of location.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

14. Scheduling jobs is a system design decision and not a planning decision.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

15. Design decisions are usually strategic and long term, while planning decisions are tactical and medium term.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

16. Managing inventory levels is considered a planning/control operations decision area.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

17. A basic difference between manufacturing and service organizations is that services are action-oriented and manufacturing is goods-oriented.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

18. Service involves a much higher degree of customer contact than the production of goods.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

19. Service often requires a higher labour content, whereas the production of goods is more capital intensive.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

20. Measurement of productivity in service is more straightforward than in goods production due to the high degree of uniformity of inputs.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

21. Models are simplified representations of something and thus ignore important aspects of a situation.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-13 Models

22. Quantitative techniques are often quick and practical techniques for many decisions.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-14 Quantitative Techniques

23. A systems approach emphasizes interrelationships among subsystems, but its main theme is that the whole is greater than the sum of its individual parts.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-16 The Systems Approach

24. Queuing techniques are useful for analyzing situations in which waiting lines form.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-14 Quantitative Techniques

25. It is essential to use the systems approach when something is being designed, redesigned, implemented, improved, or otherwise changed.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-16 The Systems Approach

26. A systems approach is to concentrate on efficiency within a subsystem and thereby achieve overall efficiency.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-16 The Systems Approach

27. Many operations management decisions can be described as trade-offs.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-15 Analysis of Trade-Offs

28. The Pareto phenomenon is one of the most important and pervasive concepts that can be applied at all levels of management.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-17 Establishing Priorities

29. Operations managers, who usually use quantitative approaches, have no responsibility to make ethical decisions.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-18 Ethics

30. Prior to the Industrial Revolution, goods were produced primarily by craftsmen or their apprentices using custom made parts.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-19 The Historical Evolution of Operations Management

31. Frederick Taylor spearheaded the scientific management movement in America.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-21 Scientific Management

32. The Human Relations Movement, which emphasized the importance of the human element in job design, was replaced by the more technical aspects of Scientific Management.
FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-22 The Human Relations Movement

33. The moving assembly line introduced by Henry Ford is an example of the development of mass production based on large volumes of standardized goods produced using low or semi-skilled workers and highly specialized equipment.
TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-21 Scientific Management

34. The impact of globalization for manufacturing companies has seen reduced reliance on long international supply chains because of the increasing cost to ship components and finished goods to foreign markets.
FALSE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-08 Identify the major trends that affect operations management.

Topic: 01-25 Major Trends

35. The transformation process and feedback is useful in the control of manufacturing operations but does not apply to service operations.
FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-05 Operations

36. One responsibility of marketing is to identify customer wants and needs and communication them to operations.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-07 Marketing

37. One important piece of information sales needs from operations is the manufacturing **lead time** in order to give customers realistic estimates of how long it will take to fill their orders.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-07 Marketing

38. Quality assurance is less challenging in services, as services primarily produce intangibles.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

39. The operations manager has the ultimate responsibility for the creation of goods or performance of services.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-05 Discuss the operations manager's job.

Topic: 01-11 The Operations Manager's Job

40. Business analytics uses software to build models which in turn support decision making.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-23 Decision Models and Computers

41. North American management practices have had a significant impact on Japanese manufacturers.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-24 The Influence of Japanese Manufacturers

42. Lean production systems operate with lower amounts of inventory, so emphasis is placed on anticipating when problems might occur *before* they arise.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-24 The Influence of Japanese Manufacturers

43. Major trends that affect operations are only taken into account once strategies and tactics are in place.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-08 Identify the major trends that affect operations management.

Topic: 01-25 Major Trends

44. Concerns about global warming and pollution have caused governments to impose stricter environmental regulations on businesses.

TRUE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-08 Identify the major trends that affect operations management.

Topic: 01-25 Major Trends

45. The difference between goods and services is that goods are mostly intangible and services are mostly tangible.

FALSE

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-01 Define the term operations management and identify operations management jobs.

Topic: 01-01 Introduction

Multiple Choice Questions

46. Operations management encompasses all of the following EXCEPT:

- A. buying materials.
- B. capacity planning.
- C. scheduling.
- D. motivating employees and training.
- E. preparing financial statements.**

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-01 Define the term operations management and identify operations management jobs.

Topic: 01-01 Introduction

47. All of the following are reasons for studying operations management EXCEPT:
- A. A large percentage of a company's expenses occur in the operations management activities that are at the core of all business organizations.
 - B. Activities in all of the other areas of business organizations, such as accounting and marketing are interrelated with operations management activities.
 - C. Many management jobs are in operations management-related areas, such as production planning, inventory management, and more.
 - D.** The study of operations management applies to manufacturing, however, it is of little use in service organizations.
 - E. Operations innovations lead to marketplace and strategic benefits.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-01 Define the term operations management and identify operations management jobs.

Topic: 01-02 Why Study Operations Management?

48. The three primary functions that exist in most business organizations are:
- A. manufacturing, production, and operations.
 - B.** operations, marketing, and finance.
 - C. operations, accounting, and marketing.
 - D. operations, production, and finance.
 - E. operations, sales and accounting

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-04 Functions within Organizations

49. The three major functions of business organizations:
- A.** perform different but related activities.
 - B. are related indirectly only.
 - C. must work together, but not very closely.
 - D. function independently of each other.
 - E. perform similar and related activities.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-04 Functions within Organizations

50. Which of the following is not a type of service operations?

- A. Retail trade
- B. Transportation and warehousing
- C. Fabrication of metals**
- D. Banking
- E. Hotels and restaurants

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

51. Measurements taken at various points in the transformation process for control purposes are called:

- A. plans.
- B. directions.
- C. controls.
- D. feedback.**
- E. proposals.

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-05 Operations

52. Measuring process outputs at various points in order to compare outputs to previously established standards to determine if corrective action is needed is called:

- A. planning and directing.
- B. directing and conversion.
- C. feedback and control.**
- D. controlling and leading.
- E. leading and transformation.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-05 Operations

53. Value-added refers to:

- A. the cost of inputs.
- B. the price of outputs.
- C.** the difference between cost of inputs and the value or price of outputs.
- D. the extra profit obtained from increased productivity.
- E. the ratio of outputs compared to inputs.

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-05 Operations

54. Economic analysis of investment proposals, and provision of funds are activities associated with the:

- A. operation function.
- B. marketing function.
- C. purchasing function.
- D.** finance function.
- E. industrial engineering function.

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-06 Finance

55. The marketing function's main concern is with:

- A. producing goods or providing services.
- B.** assessing customer wants and needs.
- C. procuring materials, supplies, and equipment.
- D. performing economic analysis of investment proposals.
- E. securing monetary resources.

Accessibility: Keyboard Navigation

Difficulty: Easy

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-07 Marketing

56. Planning decisions are usually _____ and _____ term.

- A. strategic; long
- B. tactical; medium**
- C. forecasting; short
- D. strategic; short
- E. tactical; long

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

57. Which of the following does not relate to system design?

- A. Long term capacity
- B. Location of facilities
- C. Inventory management**
- D. Process design
- E. Departmental layout

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

58. Tactical planning and control activities involve making decisions about all of the following EXCEPT:

- A. location of facilities.**
- B. scheduling.
- C. material requirements planning.
- D. project management.
- E. inventory management.

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

59. System capacity and location of facilities are examples of:

- A. financial decisions.
- B. tactical decisions.
- C. systems design decisions.
- D. operational planning decisions.
- E. forecasting decisions.

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-03 Describe the scope of operations management and provide an overview of this textbook; including differentiating between design and planning/control decisions.

Topic: 01-09 The Scope of Operations Management

60. The responsibilities of operations managers classified as planning activities include:

- A. inventory, production pace, quality, and costs.
- B. organizing departments, subcontracting, supplier contracts, and staffing.
- C. forecasting, planning, organizing, and directing.
- D. scheduling, job assignments, purchasing, and logistics.
- E. capacity, location, layout, and mix of products.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-05 Discuss the operations manager's job.

Topic: 01-11 The Operations Manager's Job

61. Which of the following responsibilities of operations managers is considered a directing activity rather than a planning or control activity?

- A. selecting production equipment
- B. product mix decisions
- C. scheduling workers
- D. inventory management
- E. layout of production facilities

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-05 Discuss the operations manager's job.

Topic: 01-11 The Operations Manager's Job

62. Of the following, which aspect of the evolution of operations management is affiliated with Japanese manufacturing companies?

- A. total quality management
- B. scientific management
- C. the human relations movement.
- D. the industrial revolution.
- E. craft production

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-24 The Influence of Japanese Manufacturers

63. Which is not a significant difference between manufacturing and service operations?

- A. Cost per unit
- B. Uniformity of output.
- C. Labour content of jobs.
- D. Amount of customer contact.
- E. Measurement of productivity.

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

64. Which of the following is not a characteristic of service operations?

- A. Intangible output.
- B. High customer contact.
- C. High labour content.
- D. Easy measurement of productivity.
- E. Low uniformity of output.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

65. The responsibilities of operations managers classified as controlling activities are:

- A. inventory, production pace, quality, and costs.
- B. organizing departments, subcontracting, supplier contracts, and staffing.
- C. forecasting, planning, organizing, and directing.
- D. scheduling, job assignments, purchasing, and logistics.
- E. capacity, location, layout, and mix of products.

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-05 Discuss the operations manager's job.

Topic: 01-11 The Operations Manager's Job

66. Which of the following is not a general approach to decision-making?

- A. Establishing priorities
- B. Subjective approach
- C. Analysis of trade-offs
- D. Systems approach
- E. Quantitative approaches

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-12 Operations Managers and Decision Making

67. Which of the following is not a characteristic of models used to support decision making?

- A. They provide a simplified representation of a design problem.
- B. They ignore unimportant details, concentrating on the most important aspects of a situation.
- C. They may be based on mathematical representations or graphical schematics.
- D. They provide abstract representations of a design problem.
- E. They are limited to representations of objective quantitative factors.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-13 Models

68. Which of the following is not true about the systems approach?

- A. It recognizes the importance of taking into account the impact on all parts of the system.
- B. It emphasizes interrelationships among subsystems.
- C. It concentrates on efficiency within subsystems.**
- D. It becomes essential whenever something is being redesigned or improved.
- E. The objectives of the whole take precedence over those of any one part.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-16 The Systems Approach

69. Which is not a quantitative technique to problem solving?

- A. Linear programming
- B. Queuing techniques
- C. Statistical techniques
- D. Heuristic approach**
- E. Forecasting techniques

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-14 Quantitative Techniques

70. Dealing with the fact that certain aspects of any management situation are more important than others is called:

- A. analysis of trade-offs.
- B. sensitivity analysis.
- C. establishing priorities.**
- D. analysis of variance.
- E. decision analysis.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-17 Establishing Priorities

71. The fact that improvements in a few key areas of operations will have more impact than many improvements in less significant areas is referred to as the _____.

- A. forecasting approach
- B. Pareto phenomenon**
- C. productivity challenge
- D. analysis of trade-offs
- E. ethical dilemma

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-17 Establishing Priorities

72. Which of the following developments related to the historical evolution of operations management is the oldest?

- A. The human relations movement advocated by Mayo, Maslow, and Hertzberg.
- B. The introduction of the moving assembly line by Henry Ford.
- C. Scientific management principles espoused by Frederick Taylor.
- D. The principle of division of labour documented in Adam Smith's book *The Wealth of Nations*.**
- E. The influence of Japanese management practices.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-20 The Industrial Revolution

73. Which of the following is not properly matched?

- A. Mathematical model for inventory management-Elton Mayo**
- B. Division of labour-Adam Smith
- C. Scientific Management-F. W. Taylor
- D. Motion study-Frank and Lillian Gilbreth
- E. Moving assembly line-Henry Ford

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-21 Scientific Management

74. Which of the following is not a major trend influencing the strategies of manufacturing organizations?

- A. Globalization
- B. The Internet and e-commerce
- C. Introduction of mass production**
- D. Supply chain management
- E. Technological advances

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-08 Identify the major trends that affect operations management.

Topic: 01-25 Major Trends

75. Operating at minimum cost and time is referred to as _____.

- A. Value added
- B. Efficiency**
- C. Effectiveness
- D. Trade-offs
- E. Economies of scale

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-01 Define the term operations management and identify operations management jobs.

Topic: 01-01 Introduction

76. Which of the following functions is mostly service based, as identified in the "goods-service" continuum?

- A. Automotive assembly
- B. Automotive repair
- C. Restaurant meal
- D. Software development
- E. Teaching**

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-02 Identify the three major functions of organizations and describe how they interact.

Topic: 01-05 Operations

77. The service industry in Canada has been growing. According to Statistics Canada, what percent of jobs are in services?

- A. More than 29%
- B. More than 48%
- C. More than 58%
- D. More than 79%**
- E. More than 84%

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-04 Compare production of goods and services.

Topic: 01-10 Differentiating Production of Goods and Services

78. A balance achieved between two incompatible features is referred to as (a)

- _____.
- A. Break even
- B. Quantitative technique
- C. Heuristic
- D. Trade-off**
- E. Systems approach

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-06 Describe the key aspects of operations management decision making.

Topic: 01-15 Analysis of Trade-Offs

79. In the Historical Evolution of Operations Management. Which of the following was emphasized during the Human Relations Movement era?

- A. Division of labour
- B. The importance of workers in work design.**
- C. The use of economic incentives
- D. The transfer of control from workers to management
- E. The development of time and motion studies.

Accessibility: Keyboard Navigation

Difficulty: Medium

Learning Objective: 01-07 Briefly describe the historical evolution of operations management.

Topic: 01-22 The Human Relations Movement

80. Many major trends affect operations. Disaster preparation and response falls under which major trend?

- A. Technology
- B. Globalization
- C. Supply chains
- D. Internet and ecommerce
- E. Sustainability**

Accessibility: Keyboard Navigation

Difficulty: Hard

Learning Objective: 01-08 Identify the major trends that affect operations management.

Topic: 01-25 Major Trends