

Chapter 2

Student: _____

1. Productivity is best defined as the:
 - A.
 - B.
 - C.
 - D.
2. Poor quality work is most likely to lead to:
 - A.
 - B.
 - C.
 - D.
3. Quality control is best defined as the company's efforts to:
 - A.
 - B.
 - C.
 - D.
4. When a city's park district considers ways to upgrade its playground equipment or improve the programs it offers senior citizens, it is focusing on:
 - A.
 - B.
 - C.
 - D.
5. Process control is best defined as the quality control method that emphasizes:
 - A.
 - B.
 - C.
 - D.

6. Statistical quality control primarily involves:
- A.
 - B.
 - C.
 - D.
7. The most accurate way to apply statistical quality control is to use a:
- A.
 - B.
 - C.
 - D.
8. An operator who periodically measures some aspect of ongoing production and plots the results on a control chart is most likely using:
- A.
 - B.
 - C.
 - D.
9. The zero-defects approach is best defined as the quality control technique:
- A.
 - B.
 - C.
 - D.
10. Which of the following is most likely to be the first step the members of an employee involvement team would take?
- A.
 - B.
 - C.
 - D.

11. Employee involvement teams are most successful when:
- A.
 - B.
 - C.
 - D.
12. Six Sigma is best defined as a:
- A.
 - B.
 - C.
 - D.
13. The primary objective of total quality management (TQM) is to:
- A.
 - B.
 - C.
 - D.
14. Joseph M. Juran, one of the experts who played an important role in spreading the idea of TQM, taught quality concepts to the Japanese. He emphasized the view that management should seek to maintain and improve quality through efforts on two levels: the organization as a whole and the:
- A.
 - B.
 - C.
 - D.

15. Which of the following is an annual award administered by the U.S. Department of Commerce and given to the company that shows the highest quality performance in seven categories—leadership; strategic planning; customer and market focus; measurement, analysis, and knowledge management; human resource focus; process management; and results?
- A.
B.
C.
D.
16. Which of the following is a series of standards adopted by the International Organization for Standardization to spell out acceptable criteria for quality systems?
- A.
B.
C.
D.
17. The practice of identifying the top performer of a process, then learning and carrying out the top performer's practices is called:
- A.
B.
C.
D.
18. The superstore supervised by Joanne had such high retail sales for the year that the company president decided to identify her store as the "premier store" for comparisons, not only in terms of gross sales, but also for efficiency in all areas of operations. This practice of determining the quality standards by measuring against the top performer of a particular process is popularly known as:
- A.
B.
C.
D.

19. Quality improvement directed toward value ideally begins when the:
- A.
 - B.
 - C.
 - D.
20. The most effective way supervisors can overcome the productivity constraint of management limitations is by:
- A.
 - B.
 - C.
 - D.
21. Mary processes 96 permit applications in an eight-hour day at the secretary of state's office. If Mary earns \$6 per hour, what would be her productivity measure?
- A.
 - B.
 - C.
 - D.
22. Productivity is most likely to improve the most when the:
- A.
 - B.
 - C.
 - D.
23. Before a supervisor can make decisions about how to trim costs, he/she has to know where the money is going. The most accurate source of such information is a(n):
- A.
 - B.
 - C.
 - D.

24. Increasing output without increasing costs is likely to make employees:
- A.
 - B.
 - C.
 - D.
25. A supervisor who wants to boost productivity by increasing output must ideally:
- A.
 - B.
 - C.
 - D.
26. Expenses not related directly to producing goods and services are popularly referred to as:
- A.
 - B.
 - C.
 - D.
27. Which of the following is an accurate example of an overhead?
- A.
 - B.
 - C.
 - D.
28. Downtime is best defined as the time during which:
- A.
 - B.
 - C.
 - D.

29. All kinds of tactics used for postponing or avoiding work that results in wasted time are referred to as:
- A.
 - B.
 - C.
 - D.
30. Which of the following is true in the context of regulating departmental workflow?
- A.
 - B.
 - C.
 - D.
31. Foodie, a fast food joint, offers home delivery service. It realizes that the purchase of a few motorcycles would make the service more efficient. The estimated cost of purchase is set at \$100,000 and it is expected to save \$20,000 per year. In this case, the payback period would be:
- A.
 - B.
 - C.
 - D.
32. A percentage that represents the average annual earnings for each dollar of a given investment is referred to as the:
- A.
 - B.
 - C.
 - D.
33. Which of the following is most likely to be the primary cause underlying the problem of time lost due to tardiness and absenteeism?
- A.
 - B.
 - C.
 - D.

34. High turnover is most likely to:
- A.
 - B.
 - C.
 - D.
35. When a supervisor gives information about productivity improvement, employees should:
- A.
 - B.
 - C.
 - D.
36. An organization with a poor reputation has a harder time recruiting superior employees.
- True False
37. Poor-quality work always leads to low costs.
- True False
38. Attracting new customers costs less than keeping existing customers satisfied.
- True False
39. Product quality control specifically emphasizes how to do things in a way that leads to better quality.
- True False
40. Supervisors need to remember that a quality control technique itself does not guarantee high quality.
- True False
41. In the context of the zero-defects approach, top managers alone are responsible for ensuring that the company goods and services are free of problems.
- True False

42. After identifying quality problems, a typical employee involvement team selects the problems to focus on first.
- True False
43. To ensure the success of employee involvement teams, membership should ideally be made mandatory.
- True False
44. Six Sigma is best defined as the process in which an organization-wide focus is placed on satisfying customers by continuously improving every business process.
- True False
45. The basic idea of TQM is to use statistics to monitor production quality during the production process.
- True False
46. TQM efforts address the processes used for delivering goods and services, not just the products themselves.
- True False
47. Benchmarking is a process-oriented quality control method designed specifically to reduce errors to 99.9997 percent perfect.
- True False
48. Quality improvement practices should be directed toward delivering greater customer value.
- True False
49. Standards of quality control should be written, measurable, clear, specific, and challenging but achievable.
- True False
50. When the productivity of organizations in a country improves, the people of the country are forced to buy goods and services at higher prices.
- True False

51. Operative employees will contribute to improve productivity only if they believe management is truly committed to this objective.
- True False
52. To ensure superior quality of goods, supervisors should take all the decisions related to improving productivity and avoid involving employees in the process.
- True False
53. Improving productivity involves changing employee attitudes and skills.
- True False
54. When government regulations seem illogical or unreasonable, an organization cannot be penalized for ignoring or disobeying them.
- True False
55. Union contracts do not typically specify what tasks particular employees may do, what hours they may work, and how organizations may use employees.
- True False
56. The basic way to measure productivity is to divide inputs by outputs.
- True False
57. To increase productivity, a supervisor needs to either increase outputs or reduce inputs, but not both.
- True False
58. Improving process quality improves productivity.
- True False
59. All the quality control strategies are mutually exclusive.
- True False

60. In deciding which strategies to use, supervisors should consider which will appeal to higher-level management.
- True False
61. Typically, the productivity of a department increases with the increase in overhead allocated to each department.
- True False
62. Downtime is the time during which employees or machines are most productive.
- True False
63. Idle time refers to the tactics for postponing or avoiding work.
- True False
64. When work levels are low, the result is downtime.
- True False
65. A supervisor may find it helpful to work with his or her manager and peers or form teams of employees to examine and solve workflow problems.
- True False
66. Lack of motivation is often the problem underlying time lost to tardiness and absenteeism.
- True False
67. Absenteeism is often the first step leading to low turnover.
- True False
68. Low turnover is expensive for any company.
- True False
69. When managers start talking about improving productivity, employees initially react with relief.
- True False

70. Employees are fearful of productivity improvements due to possible layoffs.

True False

71. What is productivity? Mention three activities that are directed toward improving quality and productivity.

72. What is quality control? Which two areas do supervisors focus on when they look for high-quality performance to reinforce or improvements to make? Describe each.

73. Discuss the zero-defects approach and total quality management (TQM).

74. Define "value" and describe how a full-service commercial bank could improve customer value.
75. List three constraints on productivity. Elaborate one of the limitations and discuss how it can be overcome.
76. You are the supervisor of two employees who process loan applications. Employee A can process 36 applications in a six-hour day, whereas Employee B can process 40 applications in an eight-hour day. Calculate their productivity in terms of applications processed per hour. Which employee is more productive and why?

77. What are the different ways of improving productivity?
78. List five measures aimed at cost-control that a supervisor can employ.
79. Discuss how a supervisor can effectively regulate departmental workflow.

80.

What is turnover? How does it affect organizations?

Chapter 2 **Key**

1.
(p. 32)

Productivity is best defined as the:

- A.
- B.**
- C.
- D.

*Certo - Chapter 02 #1
Difficulty: 1 Easy*

2.
(p. 33)

Poor quality work is most likely to lead to:

- A.
- B.
- C.
- D.**

*Certo - Chapter 02 #2
Difficulty: 2 Medium*

3.
(p. 34)

Quality control is best defined as the company's efforts to:

- A.**
- B.
- C.
- D.

*Certo - Chapter 02 #3
Difficulty: 1 Easy*

4.
(p. 35)

When a city's park district considers ways to upgrade its playground equipment or improve the programs it offers senior citizens, it is focusing on:

- A.
- B.
- C.
- D.**

*Certo - Chapter 02 #4
Difficulty: 2 Medium*

5.
(p. 35)

Process control is best defined as the quality control method that emphasizes:

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #5
Difficulty: 1 Easy*

6.
(p. 37)

Statistical quality control primarily involves:

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #6
Difficulty: 1 Easy*

7.
(p. 37)

The most accurate way to apply statistical quality control is to use a:

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #7
Difficulty: 2 Medium*

8.
(p. 37)

An operator who periodically measures some aspect of ongoing production and plots the results on a control chart is most likely using:

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #8
Difficulty: 2 Medium*

9.
(p. 38)

The zero-defects approach is best defined as the quality control technique:

- A.
- B.**
- C.
- D.

*Certo - Chapter 02 #9
Difficulty: 1 Easy*

10.
(p. 39)

Which of the following is most likely to be the first step the members of an employee involvement team would take?

- A.
- B.**
- C.
- D.

*Certo - Chapter 02 #10
Difficulty: 2 Medium*

11.
(p. 40)

Employee involvement teams are most successful when:

- A.
- B.
- C.**
- D.

*Certo - Chapter 02 #11
Difficulty: 3 Difficult*

12.
(p. 40)

Six Sigma is best defined as a:

- A.**
- B.
- C.
- D.

*Certo - Chapter 02 #12
Difficulty: 1 Easy*

13.
(p. 41)

The primary objective of total quality management (TQM) is to:

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #13
Difficulty: 2 Medium*

14.
(p. 41)

Joseph M. Juran, one of the experts who played an important role in spreading the idea of TQM, taught quality concepts to the Japanese. He emphasized the view that management should seek to maintain and improve quality through efforts on two levels: the organization as a whole and the:

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #14
Difficulty: 2 Medium*

15.
(p. 43)

Which of the following is an annual award administered by the U.S. Department of Commerce and given to the company that shows the highest quality performance in seven categories—leadership; strategic planning; customer and market focus; measurement, analysis, and knowledge management; human resource focus; process management; and results?

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #15
Difficulty: 1 Easy*

16.
(p. 44)

Which of the following is a series of standards adopted by the International Organization for Standardization to spell out acceptable criteria for quality systems?

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #16
Difficulty: 1 Easy*

17.
(p. 44)

The practice of identifying the top performer of a process, then learning and carrying out the top performer's practices is called:

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #17
Difficulty: 1 Easy*

18.
(p. 44)

The superstore supervised by Joanne had such high retail sales for the year that the company president decided to identify her store as the "premier store" for comparisons, not only in terms of gross sales, but also for efficiency in all areas of operations. This practice of determining the quality standards by measuring against the top performer of a particular process is popularly known as:

- A.
- B.
- C.
- D.

*Certo - Chapter 02 #18
Difficulty: 2 Medium*

19.
(p. 44)

Quality improvement directed toward value ideally begins when the:

- A.
- B.
- C.
- D.

Certo - Chapter 02 #19

20.
(p. 47)

The most effective way supervisors can overcome the productivity constraint of management limitations is by:

- A.
- B.**
- C.
- D.

Certo - Chapter 02 #20
Difficulty: 2 Medium

21.
(p. 49)

Mary processes 96 permit applications in an eight-hour day at the secretary of state's office. If Mary earns \$6 per hour, what would be her productivity measure?

- A.**
- B.
- C.
- D.

Certo - Chapter 02 #21
Difficulty: 2 Medium

22.
(p. 51)

Productivity is most likely to improve the most when the:

- A.**
- B.
- C.
- D.

Certo - Chapter 02 #22
Difficulty: 2 Medium

23.
(p. 52)

Before a supervisor can make decisions about how to trim costs, he/she has to know where the money is going. The most accurate source of such information is a(n):

- A.
- B.
- C.**
- D.

Certo - Chapter 02 #23
Difficulty: 1 Easy

24.
(p. 52)

Increasing output without increasing costs is likely to make employees:

- A.
- B.**
- C.
- D.

*Certo - Chapter 02 #24
Difficulty: 3 Difficult*

25.
(p. 53)

A supervisor who wants to boost productivity by increasing output must ideally:

- A.
- B.**
- C.
- D.

*Certo - Chapter 02 #25
Difficulty: 1 Easy*

26.
(p. 53)

Expenses not related directly to producing goods and services are popularly referred to as:

- A.
- B.**
- C.
- D.

*Certo - Chapter 02 #26
Difficulty: 1 Easy*

27.
(p. 53)

Which of the following is an accurate example of an overhead?

- A.**
- B.
- C.
- D.

*Certo - Chapter 02 #27
Difficulty: 2 Medium*

28.
(p. 54)

Downtime is best defined as the time during which:

- A.
- B.
- C.
- D.

Certo - Chapter 02 #28
Difficulty: 1 Easy

29.
(p. 55)

All kinds of tactics used for postponing or avoiding work that results in wasted time are referred to as:

- A.
- B.
- C.
- D.

Certo - Chapter 02 #29
Difficulty: 1 Easy

30.
(p. 55)

Which of the following is true in the context of regulating departmental workflow?

- A.
- B.
- C.
- D.

Certo - Chapter 02 #30
Difficulty: 2 Medium

31.
(p. 56)

Foodie, a fast food joint, offers home delivery service. It realizes that the purchase of a few motorcycles would make the service more efficient. The estimated cost of purchase is set at \$100,000 and it is expected to save \$20,000 per year. In this case, the payback period would be:

- A.
- B.
- C.
- D.

Certo - Chapter 02 #31
Difficulty: 1 Easy

32.
(p. 56)

A percentage that represents the average annual earnings for each dollar of a given investment is referred to as the:

- A.
- B.**
- C.
- D.

*Certo - Chapter 02 #32
Difficulty: 1 Easy*

33.
(p. 57)

Which of the following is most likely to be the primary cause underlying the problem of time lost due to tardiness and absenteeism?

- A.
- B.**
- C.
- D.

*Certo - Chapter 02 #33
Difficulty: 1 Easy*

34.
(p. 58)

High turnover is most likely to:

- A.
- B.
- C.**
- D.

*Certo - Chapter 02 #34
Difficulty: 2 Medium*

35.
(p. 59)

When a supervisor gives information about productivity improvement, employees should:

- A.**
- B.
- C.
- D.

*Certo - Chapter 02 #35
Difficulty: 2 Medium*

36.
(p. 33)

An organization with a poor reputation has a harder time recruiting superior employees.

TRUE

*Certo - Chapter 02 #36
Difficulty: 1 Easy*

37.
(p. 33)

Poor-quality work always leads to low costs.

FALSE

*Certo - Chapter 02 #37
Difficulty: 2 Medium*

38.
(p. 33)

Attracting new customers costs less than keeping existing customers satisfied.

FALSE

*Certo - Chapter 02 #38
Difficulty: 2 Medium*

39.
(p. 34)

Product quality control specifically emphasizes how to do things in a way that leads to better quality.

FALSE

*Certo - Chapter 02 #39
Difficulty: 2 Medium*

40.
(p. 36)

Supervisors need to remember that a quality control technique itself does not guarantee high quality.

TRUE

*Certo - Chapter 02 #40
Difficulty: 1 Easy*

41.
(p. 38)

In the context of the zero-defects approach, top managers alone are responsible for ensuring that the company goods and services are free of problems.

FALSE

*Certo - Chapter 02 #41
Difficulty: 2 Medium*

42.
(p. 39)

After identifying quality problems, a typical employee involvement team selects the problems to focus on first.

TRUE

*Certo - Chapter 02 #42
Difficulty: 2 Medium*

43.
(p. 40)

To ensure the success of employee involvement teams, membership should ideally be made mandatory.

FALSE

Certo - Chapter 02 #43

44.
(p. 40)

Six Sigma is best defined as the process in which an organization-wide focus is placed on satisfying customers by continuously improving every business process.

FALSE

Certo - Chapter 02 #44
Difficulty: 2 Medium

45.
(p. 41)

The basic idea of TQM is to use statistics to monitor production quality during the production process.

FALSE

Certo - Chapter 02 #45
Difficulty: 2 Medium

46.
(p. 42)

TQM efforts address the processes used for delivering goods and services, not just the products themselves.

TRUE

Certo - Chapter 02 #46
Difficulty: 2 Medium

47.
(p. 44)

Benchmarking is a process-oriented quality control method designed specifically to reduce errors to 99.9997 percent perfect.

FALSE

Certo - Chapter 02 #47
Difficulty: 2 Medium

48.
(p. 44)

Quality improvement practices should be directed toward delivering greater customer value.

TRUE

Certo - Chapter 02 #48
Difficulty: 1 Easy

49.
(p. 45)

Standards of quality control should be written, measurable, clear, specific, and challenging but achievable.

TRUE

Certo - Chapter 02 #49
Difficulty: 1 Easy

50.
(p. 46)

When the productivity of organizations in a country improves, the people of the country are forced to buy goods and services at higher prices.

FALSE

*Certo - Chapter 02 #50
Difficulty: 2 Medium*

51.
(p. 47)

Operative employees will contribute to improve productivity only if they believe management is truly committed to this objective.

TRUE

*Certo - Chapter 02 #51
Difficulty: 1 Easy*

52.
(p. 47)

To ensure superior quality of goods, supervisors should take all the decisions related to improving productivity and avoid involving employees in the process.

FALSE

*Certo - Chapter 02 #52
Difficulty: 1 Easy*

53.
(p. 48)

Improving productivity involves changing employee attitudes and skills.

TRUE

*Certo - Chapter 02 #53
Difficulty: 1 Easy*

54.
(p. 48)

When government regulations seem illogical or unreasonable, an organization cannot be penalized for ignoring or disobeying them.

FALSE

*Certo - Chapter 02 #54
Difficulty: 2 Medium*

55.
(p. 48)

Union contracts do not typically specify what tasks particular employees may do, what hours they may work, and how organizations may use employees.

FALSE

*Certo - Chapter 02 #55
Difficulty: 2 Medium*

56.
(p. 49)

The basic way to measure productivity is to divide inputs by outputs.

FALSE

*Certo - Chapter 02 #56
Difficulty: 1 Easy*

57.
(p. 49)

To increase productivity, a supervisor needs to either increase outputs or reduce inputs, but not both.

FALSE

*Certo - Chapter 02 #57
Difficulty: 2 Medium*

58.
(p. 51)

Improving process quality improves productivity.

TRUE

*Certo - Chapter 02 #58
Difficulty: 1 Easy*

59.
(p. 51)

All the quality control strategies are mutually exclusive.

FALSE

*Certo - Chapter 02 #59
Difficulty: 1 Easy*

60.
(p. 51)

In deciding which strategies to use, supervisors should consider which will appeal to higher-level management.

TRUE

*Certo - Chapter 02 #60
Difficulty: 1 Easy*

61.
(p. 53)

Typically, the productivity of a department increases with the increase in overhead allocated to each department.

FALSE

*Certo - Chapter 02 #61
Difficulty: 1 Easy*

62.
(p. 54)

Downtime is the time during which employees or machines are most productive.

FALSE

*Certo - Chapter 02 #62
Difficulty: 1 Easy*

63.
(p. 55)

Idle time refers to the tactics for postponing or avoiding work.

FALSE

*Certo - Chapter 02 #63
Difficulty: 2 Medium*

64.
(p. 55)

When work levels are low, the result is downtime.

TRUE

*Certo - Chapter 02 #64
Difficulty: 1 Easy*

65.
(p. 55)

A supervisor may find it helpful to work with his or her manager and peers or form teams of employees to examine and solve workflow problems.

TRUE

*Certo - Chapter 02 #65
Difficulty: 1 Easy*

66.
(p. 57)

Lack of motivation is often the problem underlying time lost to tardiness and absenteeism.

TRUE

*Certo - Chapter 02 #66
Difficulty: 2 Medium*

67.
(p. 58)

Absenteeism is often the first step leading to low turnover.

FALSE

*Certo - Chapter 02 #67
Difficulty: 2 Medium*

68.
(p. 58)

Low turnover is expensive for any company.

FALSE

*Certo - Chapter 02 #68
Difficulty: 2 Medium*

69.
(p. 58)

When managers start talking about improving productivity, employees initially react with relief.

FALSE

*Certo - Chapter 02 #69
Difficulty: 2 Medium*

70.
(p. 58)

Employees are fearful of productivity improvements due to possible layoffs.

TRUE

*Certo - Chapter 02 #70
Difficulty: 2 Medium*

71.
(p. 32)

What is productivity? Mention three activities that are directed toward improving quality and productivity.

Productivity is the amount of results (output) an organization gets for a given amount of inputs. Thus, productivity can refer to the amount of acceptable work employees do for each dollar they earn or the number of acceptable products manufactured with a given amount of resources. Many of the supervisor's activities, including planning, leading, and controlling, are directed toward improving quality and productivity.

*Certo - Chapter 02 #71
Difficulty: 2 Medium*

72.
(p. 34-35)

What is quality control? Which two areas do supervisors focus on when they look for high-quality performance to reinforce or improvements to make? Describe each.

Quality control refers to an organization's efforts to prevent or correct defects in its goods or services or to improve them in some way. In general, when supervisors look for high-quality performance to reinforce or improvements to make, they can focus on two areas: the product itself or the process of making and delivering the product. An organization that focuses on ways to improve the product itself is using product quality control. An organization might also consider how to do things in a way that leads to better quality. This focus is called process control.

*Certo - Chapter 02 #72
Difficulty: 2 Medium*

73.
(p. 38, 41)

Discuss the zero-defects approach and total quality management (TQM).

The zero-defects approach is a quality control technique based on the view that everyone in the organization should work toward the goal of delivering such high quality that all aspects of the organization's goods and services are free of problems. Total quality management (TQM) is an organization-wide focus on satisfying customers by continuously improving every business process for delivering goods or services.

*Certo - Chapter 02 #73
Difficulty: 2 Medium*

74.
(p. 44)

Define "value" and describe how a full-service commercial bank could improve customer value.

Value refers to the worth a customer places on a total package of goods and services relative to its cost. Possible ways in which a commercial bank can improve customer value include: maintaining an efficient and prompt customer care service; providing ATMs at convenient locations; maintaining longer customer hours with some weekend hours; offering quicker responses to loan requests; and offering lower loan and credit card interest rates.

*Certo - Chapter 02 #74
Difficulty: 2 Medium*

75.
(p. 47)

List three constraints on productivity. Elaborate one of the limitations and discuss how it can be overcome.

Students answers may vary.

Some of the constraints on productivity are management limitations, employee attitudes and skills, union rules, and government regulations. Management limitations: Too often, employees believe that management is more interested in the next quarter's profits than in producing high-quality goods or services as efficiently as possible. Employees become frustrated, especially when managers seem to ignore their ideas. The most important way supervisors can overcome this constraint is to set a good example. Supervisors should demonstrate by their actions and words that they are interested in the department's productivity. This behavior includes seeing that the job is done right the first time, as well as using resources wisely, which, on a personal level, includes being well organized. Supervisors also must communicate instructions clearly and plan carefully so that employees are able to live up to managers' expectations. Furthermore, supervisors should listen to employees' concerns and ideas about improving productivity.

*Certo - Chapter 02 #75
Difficulty: 2 Medium*

76.
(p. 49)

You are the supervisor of two employees who process loan applications. Employee A can process 36 applications in a six-hour day, whereas Employee B can process 40 applications in an eight-hour day. Calculate their productivity in terms of applications processed per hour. Which employee is more productive and why?

Employee A = 6 apps/hour (36/6); Employee B = 5 apps/hour (40/8). Employee A is more productive than Employee B, since he/she can process six applications/hour compared to Employee B's productivity of five applications/hour.

*Certo - Chapter 02 #76
Difficulty: 3 Difficult*

77.
(p. 51)

What are the different ways of improving productivity?

Productivity improves when the department or organization can do as much work at a lower cost and when output rises without a cost increase. Another way to improve productivity is to improve process quality so that employees work more efficiently and do not have to spend time correcting mistakes or defects. Maintenance of good quality is also closely related to productivity. Poor quality can slow the output of both individuals and the firm as a whole. For that reason, one of the supervisor's most important tasks is to think of and implement ways to get the job done right the first time. Some of the primary methods for improving process and product quality are Six Sigma, zero defects, and employee involvement.

*Certo - Chapter 02 #77
Difficulty: 2 Medium*

78.
(p. 52)

List five measures aimed at cost-control that a supervisor can employ.

Students answers may vary.
A few measures aimed at cost-control that a supervisor can employ include; using budgets; increasing output; improving methods; reducing overhead; minimizing waste; regulating workflow; installing modern equipment; training and motivating employees; and minimizing tardiness, absenteeism, and turnover.

*Certo - Chapter 02 #78
Difficulty: 1 Easy*

79.
(p. 55-56)

Discuss how a supervisor can effectively regulate departmental workflow.

A supervisor can take several steps to regulate departmental workflow. A supervisor should first make sure that adequate planning has been done for the work required. A supervisor may also find it helpful to work with his or her manager and peers or form teams of employees to examine and solve workflow problems. Cooperation can help make the workflow more evenly or at least more predictably. If the workflow must remain uneven, a supervisor may find that the best course is to use temporary employees during peak periods, an approach that can work if the temporary employees have the right skills.

*Certo - Chapter 02 #79
Difficulty: 2 Medium*

80.
(p. 58)

What is turnover? How does it affect organizations?

The rate at which employees leave an organization is known as turnover. High turnover is expensive, because the organization must spend a lot of money to recruit and train new employees. Therefore, an important part of controlling costs is to keep good employees by making the organization a place they want to stay.

*Certo - Chapter 02 #80
Difficulty: 2 Medium*

Chapter 2 Summary