UNIVERSITY OF CALICUT
SCHOOL OF DISTANCE EDUCATION

BBA
(2011 Admission Onwards)

V Semester

Core Course

Emerging Trends in Management

QUESTION BANK

1. Which of the following is not a typical supply chain member?
   (a) reseller
   (b) wholesaler
   (c) retailer's creditor
   (d) producer

2. When suppliers, distributors, and customers partner with each other to improve performance of the entire system, they are participating in a ..............
   (a) supply and demand chain
   (b) supply chain
   (c) channel of distribution
   (d) value delivery network

3. A company’s channel decisions directly affect every ..............
   (a) competitor’s actions
   (b) marketing decision
   (c) channel member
   (d) employee in the channel

4. From the economic system’s point of view, the role of marketing intermediaries is to transform the assortment of products made by producers in to the assortment of products wanted by ..............
   (a) consumers
   (b) distributors
   (c) marketers
   (d) manufacturers

5. Intermediaries play an important role in matching ..............
   (a) supply and demand
   (b) product to region
   (c) information and promotion
   (d) manufacturer to product
6. Which of the following is not a key function that intermediaries play in completing transactions?
   (a) negotiation  (c) negotiation
   (b) information  (d) financing

7. In marketing terms, we say that the number of intermediary levels indicates the .......... of a channel.
   (a) complexity  (c) involvement
   (b) length  (d) width

8. An advantage of a channel of distribution over selling direct to consumers is that each channel member plays a .......... in the channel.
   (a) disciplinary role  (c) specialized role
   (b) decisional role  (d) time-saving part

9. Historically, conventional channels have lacked the leadership to .......... 
   (a) assign channel member roles and attain efficiency
   (b) attain efficiency and assign member roles
   (c) set standard pricing and promotions
   (d) assign member roles and manage conflict

10. A channel consisting of one or more independent producers, wholesalers or retailers that are seeking to maximize their own profits even at the expense of profits for the channel as a whole is a .......... 
    (a) vertical distribution structure
    (b) vertical marketing system
    (c) conventional distribution channel
    (d) independent channel allocation

11. A corporate VMS has the advantage of controlling the entire distribution chain under .......... 
    (a) single ownership
    (b) a profit-maximizing strategic plan
    (c) a few intermediaries
    (d) mass distribution

12. A distinguishing feature of a contractual VMS is that coordination and conflict management among the independent members of the channel are attained through .......... 
    (a) contractual agreements
    (b) working partnerships
    (c) oral agreements
    (d) limited liability corporations

13. Leadership in which type of marketing system is assumed not through common ownership or contractual ties but through the size and power of one or a few dominant channel members?
    (a) administered VMS
    (b) horizontal marketing system
    (c) corporate VMS
14. Hybrid marketing systems are also called ……….. 
   (a) multichannel distribution systems
   (b) horizontal multichannel systems
   (c) administered franchises
   (d) dual distribution systems

15. The major disadvantage of a multichannel system is that it is harder to control and it can generate ……….. 
   (a) fewer domestic sales
   (b) declining employee morale
   (c) less net profit
   (d) greater conflict

16. In many industries, traditional intermediaries are dropping by the wayside because of changes in ……….. and the growth of ……….. marketing. 
   (a) technology; direct and online
   (b) franchise structure; independent
   (c) federal laws; business-to-business
   (d) state and local laws; target

17. Which of the following should be the first step in designing a marketing channel? 
   (a) identifying what consumers want from the channel
   (b) evaluating intermediaries
   (c) analyzing channel alternatives
   (d) identifying channel objectives

18. Companies should state their channel objectives in terms of targeted levels ………. 
   (a) customer service
   (b) efficiency and reduced conflict
   (c) profitability
   (d) fair prices

19. Which type of product might require a more direct marketing channel to avoid delays and too much handling? 
   (a) products in their maturity stage
   (b) perishable products
   (c) high-priced products
   (d) lower-priced products

20. Sometimes a producer chooses only a few dealers in a territory to distribute its products or services. Generally these dealers are given a right to ……….. 
   (a) corporate
   (b) administered
   (c) intensive
   (d) exclusive.

21. Channel members should be evaluated using all of the following criteria except which one? 
   (a) control
   (b) economic factors
   (c) adaptive criteria
   (d) channel leadership

22. It is common for international marketers to ……….. their channel strategies for each country. 
   (a) adapt
   (b) seek approval for
   (c) restrict
   (d) extend
23. Marketing channel management calls for selecting, managing, .........., and evaluating channel members over time.

(a) Reinstating    (c) reducing conflict
(b) motivating    (d) reducing waste

24. Most companies practice strong PRM to forge long-term relationships with channel members. What does PRM stand for?

(a) personal roster maintenance
(b) partner relationship management
(c) potential relationship management
(d) primary relationship management

25. Marketing logistics involves getting the right product to the right customer in the right place at the right time. Which one of the following is not included in this process?

(a) implementing the plan for the flow of goods and services
(b) gathering customer’s ideas for new products
(c) planning the physical flow of goods and services
(d) controlling the physical flow of goods, services, and information

26. Which of the following is not an area of responsibility for a logistics manager?

(a) warehousing    (c) information systems
(b) inventory      (d) marketing

27. To reduce inventory management costs, many companies use a system called .........., which involves carrying only small inventories of parts or merchandise, often only enough for a few days of operation.

(a) limited inventory logistics
(b) supply chain management
(c) reduction-inventory management
(d) just-in-time logistics

28. Which of the following transportation modes is used for digital products?

(a) ship    (c) air
(b) rail    (d) the internet

29. Companies manage their supply chains through .......... .

(a) skilled operators    (c) transportation modes
(b) information         (d) the Internet

30. Julie Newmar recognizes that her company needs to provide better customer service and trim distribution costs through teamwork, both inside the company and among all marketing channel organizations. Julie will begin the practice of .......... 

(a) customer relationship management
(b) horizontal marketing system management
(c) supply chain management
31. Smart companies coordinate their logistics strategies and forge strong partnership with suppliers and customers to improve customer service and reduce channel cost through ..............
   (a) cross-company teams 
   (b) partnering 
   (c) segregated departmentalization 
   (d) cross-functional, cross-company teams 

32. Today, a growing number of firms now outsource some or all of their logistics to ..............
   (a) disintermediaries 
   (b) competitors 
   (c) cross-functional teams 
   (d) third-party logistics providers 

33. Rolex watches can only be found in a limited number of intermediaries. This is an example of ..............
   (a) high-end distribution 
   (b) intensive distribution 
   (c) quality distribution 
   (d) exclusive distribution 

34. ______ analysis relates to what processes, activities, and decisions actually create costs in your supply chain.
   (a) Cost driver 
   (b) Value proposition 
   (c) Cost reduction 
   (d) Target costing 

35. In the 1980s, Toyota and Honda outcompeted American carmakers because they relied on suppliers for approximately ______ percent of a car’s value.
   (a) 30 
   (b) 45 
   (c) 60 
   (d) 80 

36. The ______ has made it possible for other companies to eliminate intermediaries and sell directly to the end consumer.
   (a) SCM 
   (b) Internet 
   (c) competition 
   (d) global sourcing 

37. Value stream mapping is an application of process mapping, developed to apply ______ principles to process improvement.
   (a) management 
   (b) lean 
   (c) supply chain 
   (d) cycle time 

38. A supply chain is made up of a series of processes that involve an input, a ______, and an output.
   (a) shipment 
   (b) supplier 
   (c) customer 
   (d) transformation 

39. ______ is a tool to chart how individual processes are currently being conducted and to help lay out new improved processes.
(a) Process mapping  (c) Supply chain design
(b) Pareto charting (d) Design chain mapping

40. Identify from the following list a major strategic risk associated with outsourcing.
   (a) Outsourcing landed cost is usually higher than insourcing cost.
   (b) The supplier is purchased by a competitor
   (c) The business loses sight of market trends.
   (d) The cost of supplied material is passed on to the customer.

41. ______ is the design of seamless value-added processes across organization boundaries to meet the real needs of the end customer.
   (a) Operations (c) Process engineering
   (b) Supply chain management (d) Value charting

42. The impact of cost reduction on profits is much larger than the impact of increased
   (a) innovation. (c) information.
   (b) production. (d) sales.

43. ______ considers how your organization competes and is an essential element of corporate strategy.
   (a) Value proposition analysis (c) A consultant
   (b) Leadership (d) A competitor

44. “3PL” involves using a supplier to provide ______ services.
   (a) marketing (c) logistics
   (b) design (d) contract manufacturing

45. The collective learning in the organization, especially how to coordinate diverse production skills and integrate multiple streams of technologies, is called
   (a) innovative constraint. (c) corporate skill.
   (b) second-tier competency. (d) core competency.

46. Integration of business economics and strategic planning has given rise to a new area of study called_______.
   (a) Micro Economics (c) Macro Economics
   (b) Corporate Economics (d) Managerial Economics

47. ……. happens in manufacturing when information about consumer demand for any product becomes increasingly distorted as it moves upstream in the manufacturing process.
   (a) information effect (c) supply effect
   (b) bullwhip effect (d) demand effect

48. Supply chain is also referred as………
   (a) supply force (b) chain of manufacturing centre
49. Logistic network is a set of approaches utilized to efficiently integrate suppliers, manufacturers, warehouses, and stores, so that merchandise is produced and distributed, at the right quantities, to the right location, and at the right time, in order to minimize system wide costs while satisfying service level requirements.

- Logistic management
- Supply chain management
- Operational management
- Production management

50. The Global Supply Chain Form identified key processes that make up the core of supply chain management.

- Five
- Six
- Seven
- Eight

51. The fundamental objective of supply chain management is...

- Supply goods
- Create goods
- Add value
- Identify supplier

52. In supply chain process, is defined as “the act of buying all those activities necessary to acquire goods and services consistent with user requirements.

- Collection
- Buying
- Procurement
- Assembling

53. The procurement process in supply chain management renamed by Global Supply Chain Forum as...

- Demand management
- Manufacturing flow management
- Returns management
- Supplier relationship management

54. The returns process in supply chain management renamed by Global Supply Chain Forum as...

- Returns Management
- Supplier relationship management
- Order fulfillment
- Demand management

55. The activities in supply chain process reside inside a..., but an entire process will not be contained within one function.

- Process
- Activity
- Functional silo
- Objective

56. In CRM, customer teams tailor to meet the needs of key accounts and segments of other customers.

- Product and Service Agreements
- Plan Service Agreements
- Policy Service Agreements
- Promotion Service Agreements
57. In CRM – PSA stands for………..
   (a) Product and Service Agreements
   (b) Plan Service Agreements
   (c) Policy Service Agreements
   (d) Promotion Service Agreements

58. At………… level , the CRM process provides the framework for managing relationships with customers .
   (a) operational
   (b) strategic
   (c) functional
   (d) activity

59. The………….. process is the firms face to the customer.
   (a) Customer relationship management
   (b) Demand management
   (c) Procurement management
   (d) Customer service management

60. At strategic level , the customer service management process is concerned with designing the process for managing the ........
   (a) CRM
   (b) PSA
   (c) CPFR
   (d) VMI

61. The ………………… management process needs to balance the customers requirements with the firms supply capabilities.
   (a) Customer relationship management
   (b) Customer service management
   (c) Demand management
   (d) Operational management

62. VMI stands for………….
   (a) Vendor Managed Inventory
   (b) Value Managed Inventory
   (c) Vendor Marketing Inventory
   (d) Value marketing inventory

63. An effective ………….. process in supply chain requires integration of firms manufacturing , logistics and marketing plans.
   (a) CRM
   (b) Customer service management
   (c) Order fulfillment
   (d) Demand management

64. …………… process in supply chain includes all activities necessary for managing the product flow through the manufacturing facilities and for obtaining , implementing and managing flexibility.
   (a) Manufacturing flow management
   (b) Customer relationship management
   (c) Customer service management
   (d) Demand management
65. **is the process in supply chain that defines how a company interacts with its suppliers.**
   (a) customer relationship management  
   (b) demand management  
   (c) supplier relationship management  
   (d) manufacturing flow management

66. **Time to market is a critical objective of process in supply chain.**
   (a) product development and commercialization  
   (b) demand management  
   (c) manufacturing flow management  
   (d) order fulfillment

67. **Effective management of the process in supply chain enables the firm to identify productivity improvement opportunities and breakthrough projects.**
   (a) product development and commercialization  
   (b) demand management  
   (c) manufacturing flow management  
   (d) returns management

68. Logistics system follows the principle of advantage.
   (a) comparative  
   (c) discriminating  
   (b) co-operative  
   (d) productive

69. Logistics activities provide the bridge between production and market locations that are separated by and
   (a) place and product  
   (c) process and programme  
   (b) time and distance  
   (d) product and distance

70. **management should know much additional revenue would be generated through incremental improvements in the quality of customer service provided.**
   (a) logistic  
   (c) customer service  
   (b) customer relationship  
   (d) demand

71. **includes design and administration of systems to control the flow of materials, WIP and finished inventory to support business unit strategy.**
   a. Logistics Management  
   c. Bill of Materials  
   b. Materials Management  
   d. None

72. Which is not a part of basic systems of codifications?
   a. Alphabetical System  
   c. Colour Coding System  
   b. Numerical System  
   d. None of the above

73. **and physical distribution are the two major operations of logistics.**
74. .............. is the time that elapses between issuing replenishment order and receiving the material in stores.
   a. Replenishment time
   b. Lead time
   c. Idle time
   d. None

75. .............. is the task of buying goods of right quality, in the right quantities, at the right time and at the right price.
   a. Supplying
   b. Purchasing
   c. Scrutinizing
   d. None

76. Which of the following is not a component of 4PL?
   a. Control Room (Intelligence)
   b. Resource Providers
   c. Information
   d. Recycling

77. Which of the following is not a part of Supply chain Management system?
   a. Supplier
   b. Manufacturer
   c. Information Flow
   d. Competitor
   e. Customer

78. ....................... is the provision of service to customers before, during and after a purchase.
   a. Customer Service
   b. Product Management
   c. Purchase management
   d. None of the above

79. Buying according to the requirements is called ............
   a. Seasonal Buying
   b. Hand to mouth buying
   c. Scheduled Buying
   d. Tender Buying
   e. Speculative Buying

80. ROLA in logistic management means............
   (a) Return On Local Assets
   (b) Return On Logistics Assets
   (c) Requirement Of Local Assets
   (d) Requirement Of Logistics Assets

81. .............. is a part of supply chain management
   (a) Financial management
   (b) Human resource management
   (c) Marketing management
   (d) Logistic management

82. Material management function in logistics management known as .........
   (a) out-bound logistics
   (b) in-bound logistics
   (c) material logistics
   (d) production logistics

83. .............. logistics function ensures timely availability of semi processed materials and components inventory to support the production schedule.
(a) procurement function  (c) physical distribution function
(b) production function  (d) material management function

84. Marketing logistics in logistics management known as ............
(a) out-bound logistics  (c) material logistics
(b) in-bound logistics  (d) production logistics

85. Production function of logistics is also called ............
(a) manufacturing function  (c) both (a) and (b)
(b) operation function  (d) none of the above

86. .......... system in logistic management refers to a set of activities concerned with storage and flow of all materials, information and control system in a cost-efficient manner.
(a) operating  (c) integrated
(b) physical  (d) distribution

87. ................. of a logistic system design taking in to consideration all the costs of the integrated system.
(a) inventory analysis  (c) benefit analysis
(b) production analysis  (d) total cost analysis

88. Apart from economic and non-economic benefits .......... is the main artery of logistics and supply chain management for the movement of goods.
(a) warehousing  (c) storage
(b) production  (d) transportation

89. Modes of transportation includes
(a) wholesaler  (c) producer
(b) retailer  (d) pipeline

90. The determination of transport rate and price are normally based on economic, shipper and carrier factor, followed by alternative ............
(a) production strategies  (c) pricing strategies
(b) promotion strategies  (d) distribution strategies

91. Material handling is a branch of engineering which deals with the movements of ............... between two or more different points.
(a) goods  (c) product
(b) material  (d) place

92. The six Rs about operational objective of logistic management includes Right response, Right quality, Right quantity, Right value, Right cost trade-offs, and ............
(a) Right production  (c) Right information
(b) Right place  (d) Right person

93. From the following which one is not include in inventory management techniques
94. ‘Think on the best and then on the rest’ is related with
   (a) ABC  (b) VED  (c) JIT  (d) MRP

95. LIS in logistics stands for
   (a) logistical inventory system  (c) logistical input system
   (b) logistical investment system  (d) logistical information system

96. emphasis on ‘to do what you are best at and leave all other non-value-added activities to more suited players’.
   (a) core management  (c) core production
   (b) core competency  (d) core capacity

97. The business activity of farming out identified non-core activities to external agencies came to be known as........
   (a) marketing  (c) production
   (b) outsourcing  (d) agency

98. 3PL providers are specialized service providers with core competency in managing ............
   (a) Mechanical operation  (c) Logistics operation
   (b) Material operation  (d) Finance operation

99. Third-party service providers are going for collaborations, mainly with consultancies and technology providers. This evolution in supply chain outsourcing is called........
   (a) 3PLs  (c) outsourcing
   (b) 4PLs  (d) amalgamation

100. objective in logistics ensure a proper balance between total logistic cost and a desired level of customer service performance.
    (a) Right value  (c) Right quality
    (b) Right information  (d) Right cost trade-offs

101. Logistics add value by creating .......... Utilities.
     (a) time and place  (c) protection
     (b) risk  (d) promotion

102. The gift of logistics system is the same level of customer service can be maintained with a .......... 
     (a) higher inventory  (c) total inventory
     (b) lower inventory  (d) valued inventory

103. The term Logistics stems from the Greek word .......... 
     (a) logico  (c) logistico
     (b) lobistico  (d) logo
104. Technical report (1981) defines logistics as the science of planning and carrying out the movement and maintenance of forces.
   (a) Japan air force
   (b) Indian air force
   (c) Briton air force
   (d) US air force

105. In the evolution of logistics, the objective of maximizing the profit by a corresponding maximization of sales was the objective in ......... stage.
   (a) Independent business function era (till 1950)
   (b) Limited internally integrated business function era (1960-70)
   (c) Fully internally integrated business function era (1980s)
   (d) Externally integrated business function era (1990s)

106. To control cost and output was the survival of the firm in the competitive market due to their price based competitive capacity, this was the objective in......... era of logistic evolution.
   (a) Independent business function era (till 1950)
   (b) Limited internally integrated business function era (1960-70)
   (c) Fully internally integrated business function era (1980s)
   (d) Externally integrated business function era (1990s)

107. The overall performance of corporate enterprises in terms of increased productivity, profitability, and market share were the output in......... stage of logistic evolution.
   (a) Independent business function era (till 1950)
   (b) Limited internally integrated business function era (1960-70)
   (c) Fully internally integrated business function era (1980s)
   (d) Externally integrated business function era (1990s)

108. The output of ............ era is the maximization of customer value and harmonious long-run relationship between all supply chain members.
   (a) Independent business function era (till 1950)
   (b) Limited internally integrated business function era (1960-70)
   (c) Fully internally integrated business function era (1980s)
   (d) Externally integrated business function era (1990s)

109. Strategic logistics planning process starts with the definition of............
   (a) Corporate vision
   (b) Logistic strategic analysis
   (c) Logistic planning
   (d) Managing change

110. After defining corporate vision, the next step in strategic planning process is..........
   (a) Corporate vision
   (b) Logistic strategic analysis
   (c) Logistic planning
   (d) Managing change

111. The effective implementation of logistic strategy includes in......... stage.
   (a) Corporate vision
   (b) Logistic strategic analysis
   (c) Logistic planning
   (d) Managing change
112. The managing change by developing a cohesive environment in the organization is included in .......... stage of strategic planning process.
   (a) corporate vision          (c) logistic planning
   (b) logistic strategic analysis (d) managing change

113. Proper definition and communication of logistics .......... objective are prerequisites for the development, implementation, administration, and control of logistic system design.
   (a) strategic          (c) managerial
   (b) operational        (d) technical

114. .......... requires cradle – to – cradle logistics
   (a) quality          (c) life cycle support
   (b) inventory reduction (d) responsiveness.

115. .......... is a standard of performance.
   a) cross docking          (c) autonomation
   (b) milk runs                (d) benchmarking

116. .......... is a route in which a truck either delivers product from a single supplier to multiple retailers or goes from multiple suppliers to single retailer.
   (a) cross docking          (c) autonomation
   (b) milk runs                (d) direct shipping

117. .......... is the movement of material from receiving docks directly to the shipping docks.
   (a) cross docking          (c) autonomation
   (b) milk runs                (d) direct shipping

118. From the following which one is not included in distribution strategies
   (a) cross docking          (c) autonomation
   (b) milk runs                (d) direct shipping

119. In .......... approach the supplier and not the retailer, is responsible for managing and replenishing inventory.
   (a) JIT          (c) VMI
   (b) QRM      (d) MRP

120. The father of JIT
   (a) Taylor          (c) James Morehouse
   (b) Taiichi Ohno    (d) Drucker

121. .......... means to build in a mechanism a means to prevent mass production of defective work in machine or product line.
   (a) kanban system          (c) two-bin system
   (b) autonomation                (d) JIT

122. .......... is a information system to harmoniously control the production quantities in every process. It is a tool to achieve just – in – time production.
123. .......... is a company wide strategy to cut lead times in all phases of manufacturing and office operation.
   (a) JIT 
   (b) QRM 
   (c) VMI 
   (d) MRP

124. .......... is a small group of employees in the same work area or doing similar work who voluntarily meet regularly to identify, analyse and resolve work related problems leading to improvement in their total performance.
   (a) quality council 
   (b) quality method 
   (c) quality system 
   (d) quality circles

125. In order to build quality in the culture, a ............... is established to provide overall direction. It is the driver for the TQM engine.
   (a) quality council 
   (b) quality method 
   (c) quality system 
   (d) quality circles

126. Public responsibility is a ............... in TQM.
   (a) technique 
   (b) process 
   (c) method 
   (d) principle

127. The five pillars of TQM include - product, process, system, people, and .............
   (a) motivation 
   (b) communication 
   (c) leadership 
   (d) supervision

128. Quality planning does not include
   (a) Identify the customers
   (b) determine their needs
   (c) determine levels of management
   (d) optimize the product features to meet our and customer needs.

129. Broadly quality does not include
   (a) fitness for use 
   (b) grade 
   (c) degree of excellence 
   (d) price

130. From the following which one is not included in quality cost.
    (a) internal failure cost 
    (b) appraisal cost 
    (c) prevention cost 
    (d) implicit cost

131. "Quality is defined by the customer" is
    a. an unrealistic definition of quality
    b. a user-based definition of quality
    c. a manufacturing-based definition of quality
    d. a product-based definition of quality
    e. the definition proposed by the American Society for Quality Control
132. Which of the following is not one of the major categories of costs associated with quality?
   a. prevention costs
   b. appraisal costs
   c. internal failures
   d. external failures
   e. none of the above, they are all major categories of costs associated with quality

133. According to the manufacturing-based definition of quality,
   a. quality is the degree of excellence at an acceptable price and the control of variability at an acceptable cost
   b. quality depends on how well the product fits patterns of consumer preferences
   c. even though quality cannot be defined, you know what it is
   d. quality is the degree to which a specific product conforms to standards

134. All of the following costs are likely to decrease as a result of better quality except
   a. customer dissatisfaction costs
   b. inspection costs
   c. scrap costs
   d. warranty and service costs
   e. maintenance costs

135. Inspection, scrap, and repair are examples of
   a. internal costs
   b. external costs
   c. costs of dissatisfaction
   d. societal costs

136. ISO 9000 seeks standardization in terms of
   a. products
   b. production procedures
   c. suppliers' specifications
   d. procedures to manage quality

137. Which of the following is true about ISO 14000 certification?
   a. it is a prerequisite for ISO 9000 certification
   b. it indicates a higher level of adherence to standards than ISO 9000
   c. it is only sought by companies exporting their goods
   d. it deals with environmental management

138. Total Quality Management emphasizes
   a. the responsibility of the Quality Control staff to identify and solve all quality-related problems
   b. a commitment to quality that goes beyond internal company issues to suppliers and customers
   c. a system where strong managers are the only decision makers
   d. a process where mostly statisticians get involved

139. A successful TQM program incorporates all of the following except
   a. continuous improvement
   b. employment involvement
   c. benchmarking
   d. centralized decision making authority
140. "Kaizen" is a Japanese term meaning
   a. a foolproof mechanism
   b. Just-in-time (JIT)
   c. a fishbone diagram
   d. setting standards
   e. continuous improvement

141. Based on his 14 Points, Deming is a strong proponent of
   a. inspection at the end of the production process
   b. an increase in numerical quotas to boost productivity
   c. looking for the cheapest supplier
   d. training and knowledge

142. The philosophy of zero defects is
   a. unrealistic
   b. prohibitively costly
   c. an ultimate goal; in practice, 1 to 2% defects is acceptable
   d. consistent with the commitment to continuous improvement

143. Quality Circles members are
   a. paid according to their contribution to quality
   b. external consultants designed to provide training in the use of Quality tools
   c. always machine operators
   d. all trained to be facilitators
   e. none of the above, all of the statements are false

144. The process of identifying other organizations that are best at some facet of your operations and then modeling your organization after them is known as
   a. continuous improvement
   b. employee empowerment
   c. benchmarking
   d. copycatting
   e. patent infringement

145. Costs of dissatisfaction, repair costs, and warranty costs are elements of cost in the
   a. Taguchi Loss Function
   b. Pareto Chart
   c. ISO 9000 Quality Cost Calculator
   d. Process Chart

146. A quality loss function utilizes all of the following costs except
   a. the cost of scrap and repair
   b. the cost of customer dissatisfaction
   c. inspection, warranty, and service costs
   d. sales costs
   e. costs to society
147. Pareto charts are used to
   a. identify inspection points in a process
   b. outline production schedules
   c. organize errors, problems or defects
   d. show material flow

148. Pareto charts are used to
   a. identify inspection points in a process
   b. organize errors, problems or defects
   c. outline production schedules
   d. show an assembly sequence
   e. provide guidelines for quality training

149. Among the tools of TQM, the tool ordinarily used to aid in understanding
   the sequence of events through which a product travels is a
   a. Pareto chart  c. check sheet
   b. Flow chart     d. Taguchi map

150. The process improvement technique that sorts the "vital few" from the
   "trivial many" is
   a. Taguchi analysis  c. benchmarking
   b. Pareto analysis   d. Yamaguchi analysis

151. A fishbone diagram is also known as a
   a. cause-and-effect diagram  c. Kaizen diagram
   b. poka-yoke diagram        d. Taguchi diagram

152. If a sample of parts is measured and the mean of the measurements is
   outside the control limits the process is
   a. in control, but not capable of producing within the established control
      limits
   b. out of control and the process should be investigated for assignable
      variation
   c. within the established control limits with only natural causes of
      variation
   d. monitored closely to see if the next sample mean will also fall outside
      the control limits
   e. none of the above

153. A quality circle holds a brainstorming session and attempts to identify the
   factors responsible for flaws in a product. Which tool do you suggest they use
   to organize their findings?
   a. Ishikawa diagram  c. process chart
   b. Pareto chart      d. control charts

154. When a sample measurement falls inside the control limits, it means that
   a. each unit manufactured is good enough to sell
   b. the process limits cannot be determined statistically
   c. the process output exceeds the requirements
   d. if there is no other pattern in the samples, the process is in control
155. Which of the following is true regarding control charts?
   a. Values above the upper and lower control limits indicate points out of adjustment.
   b. Control charts are built so that new data can be quickly compared to past performance data.
   c. Control charts graphically present data.
   d. Control charts plot data over time.
   e. All of the above are true.

156. The goal of inspection is to
   a. detect a bad process immediately
   b. add value to a product or service
   c. correct deficiencies in products
   d. correct system deficiencies

157. Which of the following is not a typical inspection point?
   a. upon receipt of goods from your supplier
   b. during the production process
   c. before the product is shipped to the customer
   d. at the supplier's plant while the supplier is producing
   e. after a costly process

158. "Poka-yoke" is the Japanese term for
   a. card
   b. foolproof
   c. continuous improvement
   d. fishbone diagram
   e. Just-in-time production

159. A worker operates a shear press. She notices that the metal sheets she is cutting have curled edges. Who should get the first "shot" at solving the problem?
   a. the foreman
   b. a member of the Quality Control department
   c. the operator herself
   d. an engineer
   e. the employee's supervisor

160. A recent consumer survey conducted for a car dealership indicates that, when buying a car, customers are primarily concerned with the salesperson's ability to explain the car's features, the salesperson's friendliness, and the dealer's honesty. The dealership should be especially concerned with which dimensions of service quality?
   a. communication, courtesy, and credibility
   b. competence, courtesy, and security
   c. competence, responsiveness, and reliability
   d. communication, responsiveness, and reliability
161. Which of the following has been the main driver to the globalization of business?
   a. The higher standards of living in the U.S. and Europe
   b. Technology
   c. The NAFTA trade agreement
   d. The increasing ethnic diversity within countries
   e. Improved political stability

162. Operations management is applicable
   a. mostly to the service sector
   b. to services exclusively
   c. mostly to the manufacturing sector
   d. to manufacturing and service sectors
   e. to the manufacturing sector exclusively

163. Walter Shewhart is listed among the important people of operations management because of his contributions to
   a. assembly line production
   b. measuring the productivity in the service sector
   c. Just-in-time inventory methods
   d. statistical quality control
   e. all of the above

164. Henry Ford is noted for his contributions to
   a. standardization of parts
   b. statistical quality control
   c. assembly line operations
   d. scientific management
   e. time and motion studies

165. Taylor and Deming would have both agreed that
   a. Whirlpool’s global strategy is a good one
   b. Eli Whitney was an important contributor to statistical theory
   c. management must do more to improve the work environment and its processes so that quality can be improved
   d. productivity is more important than quality
   e. the era of Operations Management will be succeeded by the era of scientific management

166. Who among the following is associated with contributions to quality control in operations management?
   a. Charles Babbage
   b. Henry Ford
   c. Frank Gilbreth
   d. W. Edwards Deming
   e. Henri Fayol

167. The field of operations management is shaped by advances in which of the following fields?
a. chemistry and physics
b. industrial engineering and management science
c. biology and anatomy
d. information sciences
e. all of the above

168. The five elements in the management process are
a. plan, direct, update, lead, and supervise
b. accounting/finance, marketing, operations, and management
c. organize, plan, control, staff, and manage
d. plan, organize, staff, lead, and control
e. plan, lead, organize, manage, and control

169. The responsibilities of the operations manager include
a. planning, organizing, staffing, procuring, and reviewing
b. forecasting, designing, planning, organizing, and controlling
c. forecasting, designing, operating, procuring, and reviewing
d. planning, organizing, staffing, leading, and controlling
e. designing and operating

170. Which of the following is not an element of the management process?
a. pricing  c. planning  e. leading
b. staffing  d. controlling

171. An operations manager is not likely to be involved in
a. the design of products and services to satisfy customers’ wants and needs
b. the quality of products and services to satisfy customers’ wants and needs
c. the identification of customers’ wants and needs
d. work scheduling to meet the due dates promised to customers
e. forecasting sales

172. All of the following decisions fall within the scope of operations management except for
a. financial analysis
b. design of products and processes
c. location of facilities
d. quality management
e. all of the above fall within the scope of operations management

173. Which of the following are the primary functions of all organizations?
a. operations, marketing, and human resources
b. marketing, human resources, and finance/accounting
c. sales, quality control, and operations
d. marketing, operations, and finance/accounting
e. research and development, finance/accounting, and purchasing
174. Budgeting, paying the bills, and collection of funds are activities associated with the
   a. management function
   b. control function
   c. finance/accounting function
   d. production/operations function
   e. staffing function

175. Which of the following would not be an operations function in a fast-food restaurant?
   a. making hamburgers and fries
   b. advertising and promotion
   c. maintaining equipment
   d. designing the layout of the facility
   e. purchasing ingredients

176. The three major functions of business organizations
   a. are mutually exclusive
   b. exist independently of each other
   c. overlap
   d. function independently of each other
   e. do not interface with each other

177. The marketing function’s main concern is with
   a. producing goods or providing services
   b. procuring materials, supplies, and equipment
   c. building and maintaining a positive image
   d. securing monetary resources
   e. generating the demand for the organization’s products or services

178. Current trends in operations management include all of the following except
   a. Just-in-time performance
   b. rapid product development
   c. mass customization
   d. empowered employees
   e. mass production

179. The service industry makes up approximately what percentage of all jobs in the United States?
   a. 20%
   b. 40%
   c. 66%
   d. 74%
   e. 90%

180. Typical differences between goods and services do not include
   a. cost per unit
   b. ability to inventory items
   c. timing of production and consumption
   d. customer interaction
   e. knowledge content

181. Which is not true regarding differences between goods and services?
a. Services are generally produced and consumed simultaneously, tangible goods are not.
b. Services tend to be more knowledge-based than products.
c. Services tend to have a more inconsistent product definition than goods.
d. Goods tend to have higher customer interaction than services.
e. None of the above are true.

182. Which of the following is not a typical attribute of goods?
   a. output can be inventoried
   b. often easy to automate
   c. aspects of quality difficult to measure
   d. output can be resold
   e. production and consumption are separate

183. Which of the following services is not unique, i.e., customized to a particular individual’s needs?
   a. hairdressing
   b. elementary education
   c. legal services
   d. dental care
   e. computer consulting

184. Which of the following is not a typical service attribute?
   a. intangible product
   b. easy to store
   c. customer interaction is high
   d. simultaneous production and consumption
   e. difficult to resell

185. Gibson Valves produces cast bronze valves on an assembly line. If 1600 valves are produced in an 8-hour shift, the productivity of the line is
   a. 2 valves/hr
   b. 40 valves/hr
   c. 80 valves/hr
   d. 200 valves/hr
   e. 1600 valves/hr

186. Gibson Valves produces cast bronze valves on an assembly line, currently producing 1600 valves each 8-hour shift. If the productivity is increased by 10%, it would then be
   a. 180 valves/hr
   b. 200 valves/hr
   c. 220 valves/hr
   d. 880 valves/hr
   e. 1760 valves/hr

187. Gibson Valves produces cast bronze valves on an assembly line, currently producing 1600 valves each 8-hour shift. If the production is increased to 2400 valves each 8-hour shift, the productivity will increase by
   a. 10%
   b. 20%
   c. 25%
   d. 40%
   e. 50%

188. The Dulac Box plant produces 500 cypress packing boxes in two 10-hour shifts. What is the productivity of the plant?
189. The Dulac Box plant produces 500 cypress packing boxes in two 8-hour shifts. The use of new technology has enabled them to increase productivity by 30%. Productivity is now approximately

- a. 32.5 boxes/hr
- b. 40.6 boxes/hr
- c. 62.5 boxes/hr
- d. 81.25 boxes/hr
- e. not enough data to determine productivity

190. The Dulac Box plant produces 500 cypress packing boxes in two 10-hour shifts. Due to higher demand, they have decided to operate three 8-hour shifts instead. They are now able to produce 600 boxes per day. What has happened to production?

- a. it has increased by 50 sets/shift
- b. it has increased by 37.5 sets/hr
- c. it has increased by 20%
- d. it has decreased by 8.3%
- e. it has increased by 9.1%

191. Productivity measurement is complicated by

- a. the competition’s output
- b. the fact that precise units of measure are often unavailable
- c. stable quality
- d. the workforce size
- e. the type of equipment used

192. The total of all outputs produced by the transformation process divided by the total of the inputs is

- a. utilization
- b. greater in manufacturing than in services
- c. defined only for manufacturing firms
- d. multi-factor productivity
- e. none of the above

193. Which of the following inputs has the greatest potential to increase productivity?

- a. labor
- b. globalization
- c. management
- d. capital
- e. none of the above

194. Productivity can be improved by

- a. increasing inputs while holding outputs steady
- b. decreasing outputs while holding inputs steady
- c. increasing inputs and outputs in the same proportion
- d. decreasing inputs while holding outputs steady
- e. none of the above

195. The largest contributor to productivity increases is ________, estimated to be responsible for _____ of the annual increase.
196. Which of the following is not true when explaining why productivity tends to be lower in the service sector than in the manufacturing sector?
   a. Services are typically labor intensive.
   b. Services are often difficult to evaluate for quality.
   c. Services are often an intellectual task performed by professionals.
   d. Services are difficult to automate.
   e. Service operations are typically capital intensive.

197. Three commonly used productivity variables are
   a. quality, external elements, and precise units of measure
   b. labor, capital, and management
   c. technology, raw materials, and labor
   d. education, diet, and social overhead
   e. quality, efficiency, and low cost

198. The service sector has lower productivity improvements than the manufacturing sector because
   a. the service sector uses less skilled labor than manufacturing
   b. the quality of output is lower in services than manufacturing
   c. services usually are labor intensive
   d. service sector productivity is hard to measure
   e. none of the above

199. Productivity tends to be more difficult to improve in the service sector because the work is
   a. often difficult to automate
   b. typically labor intensive
   c. frequently individually processed
   d. often an intellectual task performed by professionals
   e. all of the above

200..........is a predictable degree of uniformity and dependability, at low cost and suited to the market.
   (a) quantity (c) system
   (b) quality (d) process

201. The 5 pillars of TQM includes product, process, system, people and............
   (a) communication (c) leadership
   (b) Motivation (d) resource

202..........is a short declaration of what an organisation aspires to be tomorrow. It is the ideal state that might never reached but which you continuously strive to achieve.
   (a) mission (c) strategy
   (b) vision (d) operation
| 1-d  | 41-b | 81-d | 121-b | 161-b | 201-c |
| 2-d  | 42-d | 82-b | 122-a | 162-d | 202-b |
| 3-b  | 43-a | 83-b | 123-b | 163-d |       |
| 4-a  | 44-c | 84-a | 124-d | 164-c |       |
| 5-a  | 45-d | 85-c | 125-a | 165-c |       |
| 6-d  | 46-b | 86-c | 126-d | 166-d |       |
| 7-b  | 47-b | 87-d | 127-c | 167-e |       |
| 8-c  | 48-c | 88-d | 128-c | 168-e |       |
| 9-d  | 49-b | 89-d | 129-d | 169-d |       |
| 10-c | 50-d | 90-c | 130-d | 170-a |       |
| 11-a | 51-c | 91-b | 131-b | 171-c |       |
| 12-a | 52-c | 92-c | 132-e | 172-a |       |
| 13-a | 53-d | 93-c | 133-d | 173-d |       |
| 14-a | 54-a | 94-a | 134-e | 174-c |       |
| 15-d | 55-c | 95-d | 135-a | 175-b |       |
| 16-a | 56-a | 96-b | 136-d | 176-c |       |
| 17-a | 57-a | 97-b | 137-d | 177-e |       |
| 18-a | 58-b | 98-c | 138-b | 178-e |       |
| 19-b | 59-b | 99-b | 139-d | 179-d |       |
| 20-d | 60-b | 100-d| 140-e | 180-a |       |
| 21-d | 61-c | 101-a| 141-d | 181-d |       |
| 22-a | 62-a | 102-b| 142-d | 182-c |       |
| 23-b | 63-c | 103-c| 143-e | 183-b |       |
| 24-b | 64-a | 104-d| 144-c | 184-b |       |
| 25-b | 65-c | 105-a| 145-a | 185-d |       |
| 26-d | 66-a | 106-b| 146-d | 186-c |       |
| 27-d | 67-d | 107-c| 147-c | 187-e |       |
| 28-d | 68-a | 108-d| 148-b | 188-a |       |
| 29-b | 69-b | 109-a| 149-b | 189-b |       |
| 30-d | 70-a | 110-b| 150-b | 190-c |       |
| 31-d | 71-a | 111-c| 151-a | 191-b |       |
| 32-d | 72-d | 112-d| 152-b | 192-d |       |
| 33-d | 73-b | 113-b| 153-a | 193-c |       |
| 34-a | 74-b | 114-c| 154-d | 194-d |       |
| 35-d | 75-b | 115-d| 155-e | 195-a |       |
| 36-b | 76-d | 116-b| 156-a | 196-e |       |
| 37-b | 77-d | 117-a| 157-e | 197-b |       |
| 38-d | 78-a | 118-c| 158-b | 198-c |       |
| 39-a | 79-b | 119-c| 159-c | 199-e |       |
| 40-b | 80-b | 120-b| 160-a | 200-b |       |