# Test BankOperations Management 3e by Andrew Greasley

# Chapter 1 Introduction

Questions

1) People processing services require?

a) a high degree of vertical integration.

b) high fixed costs

c) physical presence

d) high equipment utilization

e) standard parts

**Answer: c)**

2) The type of operation that best describes the position of waiter at a restaurant would be classified as:

a) front office.

b) back office.

c) hybrid office.

d) inner office.

e) middle office

Answer: a)

3) A sales representative could be classified as:

a) back office.

b) middle office

c) hybrid office.

d) front office.

e) mid office.

Answer: d)

4) A service operation that is primarily back office is:

a) a taxi driver

b) till operator at a bank

c) a payroll assistant that calculates your wages.

d) server at a newsagent

e) the hostess at a restaurant.

Answer: c)

5) Which of the following statements concerning manufacturing and service organizations is generally true?

a) A service facility is more likely to serve national or even international markets.

b) Manufacturing organizations generally find it more difficult to match capacity with demand.

c) In many service organizations customers themselves are inputs to the transformation processes.

d) More people are employed in manufacturing than services in the EU.

e) Most service organizations can buffer themselves against uncertain demand by creating inventories and smoothing output levels.

Answer: c)

6) Which of the following concerning the term *customer* in operations management is true.

a) Manufacturing systems can have only internal customers because other departments are responsible for serving the external customer.

b) All customers are internal in manufacturing and external in services.

c) Only service organizations have external customers because service is provided in the presence of a customer.

d) Customers can be internal or external in both manufacturing and service operations.

e) The concept of an external customer is no longer relevant because delivery is given by third-party distribution companies.

Answer: d)

7)Which of the following is one accepted view of operations management:

a) relates to the financing of corporate assets.

b) a system where inputs pass through one or more operations and are transformed into outputs (goods or services).

c) relates to the development of personnel policies.

d) relates to budgeting the annual resources between different functional areas.

e) relates to product pricing and marketing.

Answer: b)

8)Decisions that are unstructured and have long-term consequences are:

a) tactical decisions.

b) operational decisions.

c) day-to-day decisions.

d) strategic decisions.

e) functional decisions.

Answer: d)

9) Which of the following is NOT a trend in operations management?

a) Increased role of services.

b) Increased presence of the manufacturing sector

c) Increased global competition in both manufacturing and services

d) Increased emphasis on quality

e) Pressures to address social issues such as pollution.

Answer: b)

10) Operations management is applicable

a) mostly to the service sector

b) to services exclusively

c) mostly to the manufacturing sector

d) to all firms, whether manufacturing and service

e) to the manufacturing sector exclusively

Answer: d)

11) Which of the following would **not** be an operations function in a fast-food restaurant?

a) advertising and promotion

b) designing the layout of the facility

c) maintaining equipment

d) making hamburgers and fries

e) purchasing ingredients

Answer: a)

12) 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

Answer: d)

13) 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

Answer: c)

14) 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.

Answer: a)

15) The person most responsible for popularizing interchangeable parts in manufacturing was:

a) Frederick Winslow Taylor

b) Henry Ford

c) Eli Whitney

d) Whitney Houston

e) Lillian Gilbreth

Answer: c)

16) The “Father of Scientific Management” is

a) Henry Ford

b) Frederick W. Taylor

c) W. Edwards Deming

d) Frank Gilbreth

e) none of the above

Answer: b)

17) 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

Answer: c)

18) The service industry makes up approximately what percentage of EU employment?

a) 10%

b) 20%

c) 50%

d) 70%

e) 90%

Answer: d)

## 19) 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

Answer: c)

20) 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

Answer: b)

21) Which of the following is not one of the four primary functional areas of a firm?

a) operations

b) legal

c) human resources

d) marketing

e) finance

Answer: a)

22) The introduction of interchangeable parts into the production process was first proposed by

1. Eli Whitney
2. Adam Smith
3. Lillian Gilbreth
4. Henry Gantt
5. Henry Ford

Answer: a)

23) Which of the following is not an event or concept associated with the quality revolution in operations management that occurred during the 1970s, 1980s, and 1990s?

1. Business process reengineering
2. PERT/CPM
3. JIT
4. TQM
5. None of the above

Answer: b)

24) All of the following are characteristics of today's consumer market except

1. Shorter product life cycles
2. More customized products
3. Longer product life cycles
4. Product proliferation
5. None of the above

Answer: c)

25) All of the following are responsibilities of operations managers except

1. Acquiring financial resources
2. Managing inventories
3. Scheduling production
4. Planning production
5. Product design

Answer: a)

26) Operations management is concerned only with the day-to-day operations of the firm's productive system.

1. True
2. False

Answer: b)

27) Operations managers need an integrated view of business organizations.

1. True
2. False

Answer: a)

28) Courses in operations management are relevant only to those who desire to be operations managers.

1. True
2. False

Answer: b)

29) Maintaining the quality of products and services is easier when production or delivery is closer to home.

1. True
2. False

Answer: a)

30) A process is a group of related tasks with specific inputs and outputs.

1. True
2. False

Answer: a)