OperationsÂ ManagementÂ In The Supply Chain 8th edition Schroeder Test Bank

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Operations Management In The Supply Chain 8th Edition by Schroeder CH01

ANSWERS ARE LOCATED IN THE SECOND PART OF THIS DOCUMENT

TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.

1) The *transformation* view of the operations function provides a unified approach for studying the manufacturing and service industries.

1) _____

◎ true
◎ false

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Remember
Topic : Operations as a process
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

2) The process view provides a basis for viewing an entire business as a system of interconnected processes.

2) _____

◎ true
◎ false

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Topic : Operations as a process
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.

3) Why is operations management a more encompassing term than production management?

3) _____

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A) Operations management is concerned with multiple products and services.
B) Operations management refers to service as well as manufacturing organizations.
C) Operations management is broader including the financing and marketing functions.
D) Operations management makes use of the tools of quantitative analysis and computer systems.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Topic : Definition of Operations
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

4) Which of the following functions is responsible for the actual movement of goods and/or services across organizations?

4) _____

A) logistics
B) operations
C) purchasing
D) None of these choices are correct

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Topic : Definition of Operations
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

5) Approximately, what percentage of the American workforce works in service industries?

5) _____

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A) 20%
B) 40%
C) 80%
D) 90%

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Topic : Definition of Operations
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

6) The five decision areas in operations management are

6) _____

A) planning, technology, inventory, control, and services.
B) process, quality, capacity, inventory, and supply chain.
C) process, quality, technology, capacity, and production.
D) None of these choices are correct.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : O/SC Five decision areas

7) A productive process approach

7) _____

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A) views operations as a separate organizational function.
B) must provide feedback information for control of process inputs and technology.
C) is of limited use in service organizations.
D) disregards human and social concerns.

Question Details
AACSB : Reflective Thinking
Bloom's : Understand
Difficulty : 3 Hard
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Operations as a productive system

8) Capacity decisions

8) _____

A) include staffing and scheduling.
B) include inventory control.
C) include defining product specifications.
D) None of these choices are correct.

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : O/SC Five decision areas

9) Inventory decisions involve

9) _____

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A) determining what to order, how much to order, and when to order.
B) tracking the flow of materials.
C) managing the finished goods inventories.
D) All of these choices are correct.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : O/SC Five decision areas

10) Challenges facing operations and supply chain managers signify that

10) _____

A) more emphasis should be placed on manufacturing than on service industries.
B) every operation should be externally directed to meet the customers' requirements.
C) operations decisions should precede decisions in other functions in an organization.
D) to be competitive, strategies for operations should have a narrow focus such as consideration of the effects of industry changes only.

Question Details
AACSB : Reflective Thinking
Bloom's : Understand
Difficulty : 3 Hard
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Learning Objective : 01-06 Analyze trends in operations and supply chain management.
Topic : Current challenges facing O/SC

11) The essence of operations management can be described by

11) _____

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A) process, capacity, and people.
B) decisions, function, and process.
C) planning, control, and organization.
D) integrated planning and control.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Topic : Definition of Operations
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

12) Which of the following is NOT a new challenge facing operations?

12) _____

A) Globalization of operations and the supply chain
B) Responding to the voice of the customer
C) Quality teams
D) Sustainability concerns

Question Details
AACSB : Reflective Thinking
Bloom's : Understand
Difficulty : 3 Hard
Topic : Challenges facing O/SC managers
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Learning Objective : 01-06 Analyze trends in operations and supply chain management.

13) The three primary functions that exist in most business organizations are

13) _____

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A) operations, accounting, and finance.
B) operations, production, and finance.
C) production, marketing, and human resources.
D) operations, finance, and marketing.

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Remember
Learning Objective : 01-04 Explain the nature of cross-functional decision making with operations.
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Core business functions

14) The three major functions of business organizations

14) _____

A) are mutually exclusive.
B) function independently of each other.
C) interface with each other.
D) do not interface with each other.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-04 Explain the nature of cross-functional decision making with operations.
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Core business functions

15) Which one of the following would NOT generally be classified under the heading of input in a university system?

15) _____

OperationsÂ ManagementÂ In The Supply Chain 8th edition Schroeder Test Bank

A) staff
B) equipment
C) facilities
D) knowledge
E) research

Question Details
AACSB : Reflective Thinking
Bloom's : Understand
Difficulty : 3 Hard
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Operations as a transformation system

16) The five major decision responsibilities of operations management are

16) _____

A) process, quality, capacity, sourcing, and human resources.
B) process, quality, human resources, logistics, and inventory.
C) quality, inventory, human resources, capacity, and supply chain.
D) process, capacity, quality, supply chain, and inventory.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : O/SC Five decision areas

17) Which of the following does NOT come under the process category of the operations decision framework?

17) _____

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A) layout of the facility
B) job design
C) the type of equipment and technology
D) product or service inspection

Question Details
AACSB : Reflective Thinking
Bloom's : Understand
Difficulty : 3 Hard
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : O/SC Five decision areas

18) Supply chain management includes the integration of

18) _____

A) suppliers.
B) manufacturers.
C) customers.
D) All of these choices are correct.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Definition of operations management

19) The supply chain extends from

19) _____

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A) raw material suppliers to manufacturing.
B) raw material suppliers to supplier.
C) dealer to customer.
D) raw material supplier to customer.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Definition of Supply Chain

20) Supply chain management includes all of the following except

20) _____

A) purchasing.
B) inventory control.
C) advertising.
D) customer service.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Definition of Supply Chain

21) A comprehensive decision-making framework for operations includes

21) _____

OperationsÂ ManagementÂ In The Supply Chain 8th edition Schroeder Test Bank

A) consideration of other organizational functions.
B) consideration of operations in isolation of other functions.
C) suppliers but not customers.
D) customers but not suppliers.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-04 Explain the nature of cross-functional decision making with operations.
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : O/SC Five decision areas

22) Common inputs to the operations transformation process include all of the following EXCEPT

22) _____

A) raw materials.
B) energy.
C) capacity.
D) labor.
E) conversion processes.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Operations as a transformation system

23) The major decision responsibilities of the operations and supply chain management include all of the following EXCEPT

23) _____

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A) quality.
B) process.
C) capacity.
D) capability.
E) inventory.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : O/SC Five decision areas

24) The operations management function is especially important for all of the following reasons EXCEPT

24) _____

A) its governance of the transformation process.
B) the integrative nature of business decision making.
C) its responsibility for pricing decisions.
D) the responsibility for the quality of products and services produced.
E) the responsibility for managing the largest portion of a firm's assets and people.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Topic : Definition of Operations
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

25) Key elements/events that should be monitored in the firm's external environment include all of the following EXCEPT

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25) _____

A) competitors.
B) political events.
C) economic events.
D) social trends
E) All of them should be monitored.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Operations as a productive system

26) Contemporary challenges facing operations today include all of the following EXCEPT
26) _____

A) scientific management.
B) integration with other functions.
C) sustainability concerns.
D) advancing service operations.
E) globalization of operations.

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Remember
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Learning Objective : 01-06 Analyze trends in operations and supply chain management.
Topic : Contemporary challenges

27) Which of the following is NOT true regarding service and manufacturing operations?

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27) _____

A) both can be viewed as transformation processes
B) both convert raw materials, energy, labor, and capital into valued outputs
C) both are managed by operations managers
D) both employ roughly 50% of the US workforce

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Learning Objective : 01-06 Analyze trends in operations and supply chain management.
Topic : Definition of operations management

28) Which of the following statements is INCORRECT?

28) _____

A) Marketing is typically responsible for generating demand for products.
B) Human resources is typically responsible for assuring the quality of products.
C) Operations is typically responsible for producing and delivering products and services.
D) Finance is typically responsible for acquiring and allocating capital.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Primary functional responsibilities

29) Which of the following is NOT true regarding the process view of operations?

29) _____

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A) Operations managers are responsible for the conversion process.
B) A sales office may be viewed as a production process.
C) It is a basis for analyzing operations across the entire supply chain.
D) All of these choices are Correct.

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Operations as a transformation system

30) At Pizza U.S.A., the focus of supply hain decisions is

30) _____

A) sourcing and logistics.
B) capacity and inventory.
C) quality and process.
D) None of these choices are correct.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Definition of Supply Chain

31) When a company employs statistical tools to reduce the likelihood of a product recall, this best represents what type of decision?

31) _____

OperationsÂ ManagementÂ In The Supply Chain 8th edition Schroeder Test Bank

A) process
B) quality
C) supply chain
D) logistics

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Quality-related decisions

32) When a company develops a report card for evaluating its suppliers, this best represents what type of decision?

32) _____

A) process
B) quality
C) supply chain
D) capacity

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Supply chain decisions

33) When a company upgrades its assembly line, this best represents what type of decision?

33) _____

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A) process
B) quality
C) inventory
D) supply chain

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Process decisions

34) A company using a team of people from marketing, human resources, and operations to develop a new service offering is

34) _____

A) practicing cross-functional decision making.
B) supporting functional silo development.
C) better off allowing marketing to design the new service.
D) None of these choices are correct.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-04 Explain the nature of cross-functional decision making with operations.
Topic : Cross-functional decision making
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

35) Operations decisions concerning the type of process selected are often made in conjunction with which of these functions?

35) _____

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A) Marketing
B) Finance
C) Human resources
D) All of these choices are correct.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-04 Explain the nature of cross-functional decision making with operations.
Topic : Cross-functional decision making
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

36) Operations decisions concerning inventory levels are often made with which of these functions?

36) _____

A) Marketing
B) Finance
C) Marketing and finance
D) Marketing, finance, and human resources

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-04 Explain the nature of cross-functional decision making with operations.
Topic : Cross-functional decision making
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

37) Which of the following would NOT be considered an output of an airline flight operation?

37) _____

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A) transportation from point A to point B
B) flight safety
C) satisfied customer
D) seat assignment

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Operations as a transformation system

38) Which of the following is NOT one of the important challenges facing operations and supply chain managers?

38) _____

A) Service operations lagging behind manufacturing operations.
B) Other functions (e.g., marketing, finance) not working together.
C) Finding suppliers with appropriate sustainability practices.
D) Applying scientific management principles to increase efficiency.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Topic : Challenges facing O/SC managers
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Learning Objective : 01-06 Analyze trends in operations and supply chain management.

39) Decision making using analytics is viewed as

39) _____

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A) prescriptive (use of mathematical models to optimize decisions).
B) predictive (use of data to predict what is likely to happen).
C) descriptive (use of data to summarize the present situation).
D) All of these choices are correct.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Analytics in decision making

40) Which of the following is NOT a typical application of analytics in operations and supply chain management?

40) _____

A) Forecasting
B) Capacity and scheduling
C) Logistics and sourcing
D) All of these choices are typical applications.

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Analytics in decision making

41) Which of the following would NOT be considered an operations and supply chain position title?

41) _____

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A) Business metrics/analytics analyst
B) Continuous improvement lead
C) Commodity sourcing manager
D) All of these choices would be considered operations and supply chain position titles.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Careers in operations and supply chain

42) The primary role of operations and supply chain management is to

42) _____

A) increase the revenues of the firm.
B) provide the best customer service.
C) increase the productivity of the firm.
D) design new products.

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-02 Review the role of operations in the firm and the economy.
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Role of Operations

43) Productivity is the ratio of

43) _____

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A) profit / (capital + labor).
B) operating margin / (capital + labor).
C) output / (capital + labor).
D) None of these choices are correct.

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Role of Operations

44) GDP is important because

44) _____

A) it provides equality of income.
B) it measures the output of the economy.
C) it measures the exports of the country.
D) it is a measure of increasing national sales.

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Role of Operations

45) GDP growth requires the following:

45) _____

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A) productivity.
B) productivity and innovation.
C) high inventories.
D) government regulations.

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Role of Operations

46) Calculate the productivity improvement from the following example.

	Year 1	Year 2	Annual Inflation
Output (sales) $ million	$ 69.4	$ 76.8	3%
Labor (payroll) $ million	$ 31.4	$ 33.0	2%

46) _____

A) 3.32%
B) 5.12%
C) 5.20%
D) 4.22%

Question Details
Difficulty : 3 Hard
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
AACSB : Knowledge application
Bloom's : Analyze
Topic : Productivity calculations

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47) Calculate the productivity improvement from the following example:

	Year 1	Year 2	Annual Inflation
Output (sales) $ million	$ 79.4	$ 86.8	3%
Labor (payroll) $ million	$ 41.4	$ 43.0	2%
Capital $ million	$ 10.4	$ 10.9	0%

47) _____

A) 3.56%
B) 4.56%
C) 4.22%
D) 3.46%

Question Details
Difficulty : 3 Hard
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
AACSB : Knowledge application
Bloom's : Analyze
Topic : Productivity calculations

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

48) What are the five inputs and two outputs of an operations transformation process?

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Operations Management In The Supply Chain 8th Edition by Schroeder CH01

Question Details
AACSB : Reflective Thinking
Difficulty : 1 Easy
Bloom's : Remember
Topic : Operations as a process
Learning Objective : 01-05 Describe typical inputs and outputs of an operations transformation system
AACSB : Communication
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible

49) The Operations definition emphasizes *decision, function*, and *process* elements of the organization. Briefly discuss the need to address these fundamental elements.

Question Details
Learning Objective : 01-01 Define operations and supply chain management.
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
AACSB : Communication
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Definition of operations management

50) Identify the critical operations and supply chain decision areas in an organization and discuss the responsibilities of an operations manager while addressing these decisions.

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Operations Management In The Supply Chain 8th Edition by Schroeder CH01

Question Details
Difficulty : 2 Medium
AACSB : Reflective Thinking
Bloom's : Understand
Learning Objective : 01-03 Describe the five main decisions made by operations and supply chain manag
AACSB : Communication
Accessibility : Keyboard Navigation
Accessibility : Screen Reader Compatible
Topic : Five main operations decisions

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Operations Management In The Supply Chain 8th Edition by Schroeder CH01
Answer Key

Test name: CH01

1) TRUE
Viewing operations as a process is very useful in unifying seemingly different operations from different industries.
2) TRUE
This makes it possible to analyze an organization and improve it from the process point of view.
3) B
Production management was changed to operations management to include services.
4) A
Logistics is responsible for the movement of goods / services.
5) C
The U.S. Census reports more than 80% of the workforce is employed in services.
6) B
Process, quality, capacity, inventory, and supply chain are the five decision areas.
7) B
The model of operations as a productive system includes a feedback loop.
8) A
Capacity decisions include staffing levels and scheduling, but not inventory or specifications.
9) D

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Ordering decisions, finished goods inventory decisions, and inventory tracking are all included in the inventory decision area.

10) B

More emphasis should be placed on manufacturing than on service industries, operations decisions should precede decisions in other functions in an organization, and to be competitive, strategies for operations should have a narrow focus such as consideration of the effects of industry changes only are not correct; increasing need to meet customer requirements is a current challenge.

11) B

Operations decisions, operations as a function, and process orientation are the heart of operations.

12) C

Globalization of operations and the supply chain, responding to the voice of the customer, and quality teams are included, along with integration of decisions and services in the list of five challenges.

13) D

Operations, finance, and marketing are the core functions in most businesses.

14) C

Each core function must integrate decisions with each other.

15) E

Research would be an output of a university system.

16) D

The five decision areas are process, quality, capacity, inventory, and supply chain.

17) D

Inspection would be under the quality decision area.

18) D

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SCM starts with raw material suppliers, includes the transformation process, and extends to ultimate customers, all integrated for highest performance.

19) D

SCM starts with raw material suppliers, includes the transformation process, and extends to ultimate customers.

20) C

Advertising would likely fall under the definition of marketing, not supply chain management.

21) A

The decisions of well-managed operations are always integrated with the decisions of other functions.

22) E

The productive system includes all the inputs except conversion processes.

23) D

The five decision areas are process, quality, capacity, inventory, and supply chain.

24) C

Managing pricing is not important for operations since it is a marketing function.

25) E

The external environment includes all of these elements.

26) A

Scientific management is not a contemporary challenge, but is a significant element of operation’s history.

27) D

The U.S. Census reports more than 80% of the workforce is employed in services.

28) B

OperationsÂ ManagementÂ In The Supply Chain 8th edition Schroeder Test Bank

Quality assurance is typically a responsibility of operations.

29) D

Services, such as sales offices, can be viewed as production processes.

30) A

The supply chain decisions consist of sourcing and logistics. Sourcing is done by the corporate office. Logistics is handled by a third-party provider.

31) B

The use of statistical tools would fall under decisions related to quality.

32) C

Supply chain decisions include selecting methods for supplier evaluation.

33) A

The choice of production process is a process decision.

34) A

Such decisions must be integrated and highly interactive.

35) D

Process decisions require interface with all primary functions.

36) C

Both marketing and finance have vested interest in strategic inventory decisions.

37) D

Seat assignment is step in the process, not an output.

38) D

Although scientific management is an important part of O/SC history, it is not a current challenge.

39) D

Analytics can be descriptive, predictive, or prescriptive in nature.

40) D

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Additionally, quality control and inventory are also common applications.

41) D

Positions related to any of the five decision areas are very likely to be considered operations and supply chain positions.

42) C

The role of productivity improvement is emphasized in this chapter.

43) C

Productivity is defined as the ratio of output / (capital + labor).

44) B

GDP growth leads not only to prosperity of the country, but income growth for the population, since income is closely related to GDP per capita.

45) B

GDP growth requires both productivy and innovation.

46) D

Productivity = output / inputs. Productivity year 1 = 69.4 / 31.4 = 2.210

Productivity year 2 = (76.8 × 0.97) / (33.0 × 0.98) = 2.3035

Productivity Improvement = 2.3035 / 2.210 = 1.0422 = 4.22%

47) A

Productivity = Output / (Labor + Capital). Productivity Year 1 = 79.4 / (41.4 + 10.4) = 1.533 ,

Productivity Year 2 = (86.8 × 0.97) / (43.0 × 0.98 + 10.9) = 1.587

Improvement ratio = 1.587 / 1.533 = 1.0356 = 3.56%

48) The five inputs include: energy, materials, labor, capital, and information.

The two outputs include goods and services.

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49) The operations function is responsible for planning and controlling the production system and its interfaces with the organization and with the external environment. The operations definition emphasizes decision, functional relationships and process elements of an organization. The operations function is responsible for making decisions regarding process, quality, capacity and inventory choices, which are vital to any organization. The functional element of the operations is responsible for supplying or developing the products or rendering the required services for the business. It also links the manufacturing/service operations to other functions such as marketing, finance, etc. The process view provides a common ground for defining service and manufacturing operations as a transformation process for converting the right kind of inputs into outputs.

These elements are critical for successful functioning of any organization, and it is for these reasons one should address the three fundamental elements of operations.

50) The critical decision areas in an organization include: *Process, Quality, Capacity, Inventory, and Supply Chain*

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