

Student: _____

1. Efficiency means doing the right things to create the most value for the company.
True False
2. Effectiveness means doing the right things to create the most value for the company.
True False
3. A doctor completes a surgical procedure on a patient without error. The patient dies anyway. In operations management terms, we could refer to this doctor as being efficient but not effective.
True False
4. A worker can be efficient without being effective.
True False
5. A process can be effective without being efficient.
True False
6. Operations and supply management is defined as the design, operation, and improvement of the systems that create and deliver the firm's primary products and services.
True False
7. The term "value" refers to the relationship between quality and the price paid by the consumer.
True False
8. Operations and supply management is a functional area of business with clear line-management responsibilities.
True False
9. Because the text states that "At the most fundamental level, operations and supply management is about getting the day-to-day work done quickly, efficiently, without errors, and at low cost." there is little in the field of operations and supply management that relates to overall corporate strategy.
True False
10. Producing a product such as a cell phone is an operations function, whereas providing a service such as cellular phone account is not.
True False
11. Operations and supply management is concerned with managing the internal transformation process but is not concerned with dealer or distribution networks.
True False
12. There is a growing recognition that OSM functions aren't limited to the production line, but are applicable to other areas in a variety of firms.
True False
13. If an individual is interested in becoming an effective manager they need to have an understanding of the operations and supply management function.
True False
14. Central to the concept of operations and supply management is that knowledge of OSM functions are useful in areas such as medicine or accounting.
True False

15. At the most fundamental level operations and supply management is about getting work done quickly and efficiently.
True False
16. The term "Operations" refers to the processes that are used to transform resources into goods and services.
True False
17. The term "Supply" refers to how materials and services are moved to and from the transformation process.
True False
18. The term operations and supply management refers to an integrated system that extends from the purchase of material from suppliers, through to the supply of products and services where they can be purchased by the customer.
True False
19. All managers should understand the basic principles that guide the design of the transformation process.
True False
20. Operations and supply management is not critical to the success of a firm.
True False
21. Saving a dollar in how a product is produced or distributed results directly to an extra dollar of profit.
True False
22. Innovations in the field of operations are relatively reliable and low cost.
True False
23. A business education is incomplete without an understanding of modern approaches to managing operations.
True False
24. Operations and supply management provides a systematic way at looking at organizational processes.
True False
25. The field of operations and supply management presents a very limited range of interesting career opportunities.
True False
26. The concepts and tools of operations and supply management are not widely used in managing other functions of business.
True False
27. Today the operations function is seen as essential to firm competitiveness.
True False
28. Operations management as a discipline has yet to address the problems of services companies.
True False
29. Transformation processes are used in all types of businesses.
True False
30. Transformation processes are used primarily in manufacturing businesses.
True False
31. A transformation process uses resources to convert outputs into some desired input.
True False

32. Manufacturing OSM transformations are referred to as physical transformations.
True False
33. Transportation OSM transformations are referred to as physical transformations.
True False
34. Transportation OSM transformations are referred to as locational transformations.
True False
35. Manufacturing OSM transformations are referred to as physiological transformations.
True False
36. Retailing OSM transformations are referred to as physiological transformations.
True False
37. Retailing OSM transformations are referred to as exchange transformations.
True False
38. Warehousing OSM transformations are referred to as storage transformations.
True False
39. Warehousing OSM transformations are referred to as exchange transformations.
True False
40. Health care OSM transformations are referred to as storage transformations.
True False
41. Health care OSM transformations are referred to as physiological transformations.
True False
42. Telecommunications OSM transformations are referred to as exchange transformations.
True False
43. Telecommunications OSM transformations are referred to as informational transformations.
True False
44. Best practices/best processes depend on such factors as volume, cost and speed of delivery.
True False
45. Logistics process identify the various ways that material can be moved.
True False
46. Distribution processes relate to warehouse functions.
True False
47. Manufacturing and service processes are involved with the actual production of the goods and services desired by customers.
True False
48. Logistics process are relate to warehouse functions.
True False
49. Distribution processes are involved with the actual production of the goods and services desired by customers.
True False
50. Manufacturing and service processes are involved with moving material.
True False
51. The transformation process is the actual conversion of inputs into outputs.
True False

52. A service is an intangible process that cannot be weighed or measured.
True False
53. A good is an intangible process that cannot be weighed or measured.
True False
54. A good is a tangible output of a process that has physical dimensions.
True False
55. A good is an intangible output of a process that has physical dimensions.
True False
56. Service requires some degree of interaction with the customer for it to be a service.
True False
57. Services are usually produced in one location and consumed by the customer in a different location.
True False
58. Goods are usually produced in a facility separate from the customer.
True False
59. Services vary from day to day and even hour to hour as a function of the attitudes of the customer and the servers.
True False
60. Services tend to be consistent and do not vary from day to day and even hour to hour as a function of the attitudes of the customer and the servers.
True False
61. Goods can be produced to meet tight specifications from day to day and even hour to hour with essentially zero variability.
True False
62. Services as a process are perishable and time dependant.
True False
63. Services specifications are defined and evaluated as a package of features that affect the five senses.
True False
64. Most product offerings are a combination of goods and services.
True False
65. Pure goods industries are adding additional value-added services to improve their competitiveness and increase margins.
True False
66. Core goods producers are adding services as a significant component of their business.
True False
67. The Goods-Services continuum extends from Pure Goods through to Pure Services.
True False
68. The Goods-Services continuum extends from Pure Goods through to Core Goods.
True False
69. The Goods-Services continuum extends from Core Services through to Pure Services.
True False
70. An example of a core service provider integrating tangible goods into their business would be a cable television company offering high-definition cable boxes.
True False

71. An example of a core goods provider integrating a service component into their business would be an automobile manufacturer providing spare parts distribution to support their dealers.
True False
72. In Canada the majority of the work force is employed in service as opposed to being employed in manufacturing.
True False
73. In Canada the majority of the work force is employed in manufacturing as opposed to being employed in service.
True False
74. In Canada there has been a shift in the workforce profile, whereas now there are more people employed in services than there were one hundred years ago.
True False
75. In developing countries there is a smaller proportion of people employed in services.
True False
76. Business in Canada began from a commodity-based economic system.
True False
77. Business in Canada began from an agricultural-based economic system.
True False
78. Scientific management is viewed as the first, major historical landmark of operations management.
True False
79. Fredrick Taylor's philosophy holds that scientific laws govern how much a worker can produce per day.
True False
80. Frederick W. Taylor felt that the worker should not determine how much to produce or the best process for production efficiency.
True False
81. Frederick W. Taylor felt that the worker should determine how much they could produce each day.
True False
82. Under the Historical Summary of operations management the era of the 1930's saw the concept of quality control begin to be widely adopted.
True False
83. Under the Historical Summary of operations management the era of the 1970's saw the concept of quality control begin to be widely adopted.
True False
84. Under the Historical Summary of operations management the era of the 1970's saw the concept of the use of computers begin to be widely adopted.
True False
85. Under the Historical Summary of operations management the era of the 1970's saw the concept of total quality management begin to be widely adopted.
True False
86. Under the Historical Summary of operations management the era of the 1990's saw the concept of total quality management begin to be widely adopted.
True False

87. Under the Historical Summary of operations management the era of the 1910's saw the concept of total quality management begin to be widely adopted.
True False
88. Under the Historical Summary of operations management the era of the 1910's saw the concept of the principles of scientific management begin to be widely adopted.
True False
89. Under the Historical Summary of operations management the era of the 2000's saw the concept of supply chain management begin to be widely adopted.
True False
90. Under the Historical Summary of operations management the era of the 1980's saw the concept of JIT, TQC and automation begin to be widely adopted.
True False
91. Under the Historical Summary of operations management the era of the 1940s-60's saw the concept of JIT, TQC and automation begin to be widely adopted.
True False
92. Under the Historical Summary of operations management the era of the 1940s-60's saw the development of operations research tools begin to be widely developed.
True False
93. Under the Historical Summary of operations management the era of the 1930's saw the development of operations research tools begin to be widely developed.
True False
94. One of the machine age's greatest technological innovations was the moving assembly line.
True False
95. As the basis of its functionality, the assembly line depended on interchangeable or standardized parts.
True False
96. The development of interchangeable or standardized parts was not a key component of the modern assembly line of 1913.
True False
97. After the end of World War II the high demand for commodities lead operations to produce large quantities of standardized products at minimum cost and low quality.
True False
98. When foreign manufacturers of commodities, especially the Japanese, entered the North American market North American manufacturers were ill-equipped to respond quickly.
True False
99. As far back as the 1960's it was suggested that companies should place strategic emphasis on operations.
True False
100. Today companies view marketing as their greatest competitive weapon and place great importance on this function.
True False
101. Today companies view operations as their greatest competitive weapon and place great importance on this function.
True False
102. Many experts agree that Canada, specifically Canadian business operations, should focus on innovation and value-added goods and services.
True False

103. Many experts agree that Canada, specifically Canadian business operations, should focus on commodities and mass production as their niche in the global marketplace.
True False
104. A recent trend in operations and supply management is the dramatic surge in the outsourcing of parts and services.
True False
105. Current trends in the field of operations and supply management are optimizing global supplier, production and distribution networks.
True False
106. The use of information sharing has seen an increase in the co-production of goods and services.
True False
107. Resource utilization decisions must include customer support personnel as a key component of operations and supply management.
True False
108. Raising senior management awareness of operations is not considered a significant competitive weapon.
True False
109. Environmental responsibility is a key future trend in operations and supply management.
True False
110. Environmental responsibility is not seen as a key future trend in operations and supply management.
True False
111. Corporate responsibility and fair trade practices are not seen as future trends in operations and supply management.
True False
112. Unlike the United States, which evolved from an agricultural marketplace, business in Canada began with commodity-based trading.
True False
113. Operations and supply management does not involve which of the following?
A. Using operations research/management science decision-making tools
B. Industrial engineering issues
C. Line management responsibilities
D. Improving operating systems
E. Portfolio management
114. Operations management is applicable...
A. Mostly in the service sector.
B. To services exclusively.
C. Mostly in the manufacturing sector.
D. To both manufacturing and service sectors.
E. To the manufacturing sector exclusively.
115. Which of the following is not typically a component of the supply chain?
A. Procuring raw materials
B. Transformation. Delivery
C. Cost accounting
D. Warehousing

116. The concept of operations and supply management should be important to which of the following management areas?
- A. Production
 - B. Marketing
 - C. Finance
 - D. Engineering
 - E. All of the above areas should understand the importance of the OSM function
117. At the most fundamental level operations and supply management is concerned about what?
- A. Getting work done quickly
 - B. Getting work done efficiently
 - C. Getting work done without error
 - D. Getting work done at a low cost
 - E. OSM is concerned about all of the above
118. Which of the following refers to the processes that are used to transform resources into goods and services?
- A. Processing
 - B. Operations
 - C. Transforming
 - D. Supply
 - E. Servicing
119. Which of the following refers to how materials and services are moved to and from the transformation processes?
- A. Processing
 - B. Operations
 - C. Transforming
 - D. Supply
 - E. Servicing
120. All managers should understand which of the following transformation processes?
- A. How processes are organized
 - B. How capacity is determined
 - C. Process time
 - D. How quality is monitored
 - E. Managers should understand all of the above processes
121. Saving a dollar in how a product is produced or distributed results directly in what?
- A. An extra dollar of cost
 - B. An extra dollar of profit
 - C. An extra \$.20 of profit
 - D. No impact on profit or cost
 - E. An extra two dollars of profit
122. Which of the following means doing something at the lowest possible cost?
- A. Effectiveness
 - B. Efficiency
 - C. Cost effectiveness
 - D. Value
 - E. Break even
123. Which of the following means doing the right things to create the most value?
- A. Effectiveness
 - B. Efficiency
 - C. Cost effectiveness
 - D. Value
 - E. Break even

124. Which of the following can be defined as quality divided by price?
- A. Effectiveness
 - B. Efficiency
 - C. Cost effectiveness
 - D. Value
 - E. Break even
125. "Reinventing government" initiatives rely heavily on which of the following operations and supply management concepts?
- A. Total quality management
 - B. Business process reengineering
 - C. Supply chain management
 - D. Just-in-Time delivery
 - E. All of the above are components of reinventing government initiatives
126. Which of the following are reasons for studying operations and supply management?
- A. To understand modern approaches to management
 - B. Systematic way of looking at processes
 - C. Career opportunities
 - D. Concepts are transferable to other functions of business
 - E. All of the above are reasons to study OSM
127. The operations and supply management transformation process consists of which of the following?
- A. Feedback, external factors and transformations.
 - B. Inputs, outputs and customers.
 - C. Customers, inputs and resources.
 - D. Inputs, transformation and outputs.
 - E. Resources, customers and internal factors.
128. The operations management transformation process in a hospital is primarily which of the following?
- A. Physical
 - B. Locational
 - C. Exchange
 - D. Physiological
 - E. Storage
129. The operations management transformation process in a manufacturing firm is primarily which of the following?
- A. Physical
 - B. Locational
 - C. Exchange
 - D. Storage
 - E. Physiological
130. The operations management transformation process in retailing is primarily which of the following?
- A. Physical
 - B. Locational
 - C. Exchange
 - D. Storage
 - E. Physiological
131. The operations management transformation process in the trucking industry is primarily which of the following?
- A. Physical
 - B. Locational
 - C. Exchange
 - D. Physiological
 - E. Storage

132. Match the transformations of 1) exchange, 2) physical, 3) physiological, and 4) storage with their respective examples given below (remember the order is given by the above sequence).
- (1) Exchange
 - (2) Physical
 - (3) Physiological
 - (4) Storage
 - (A) Manufacturing
 - (B) Making a sick person well
 - (C) Retailing
 - (D) Warehousing
- A. 1)-C, 2)-A, 3)-D, 4)-B
B. 1)-D, 2)-A, 3)-C, 4)-B
C. 1)-A, 2)-B, 3)-D, 4)-C
D. 1)-B, 2)-C, 3)-D, 4)-A
E. 1)-C, 2)-A, 3)-B, 4)-D
133. Which of the following process refers to the various ways that material can be moved?
- A. Manufacturing and service
 - B. Intangible
 - C. Logistics
 - D. Distribution
 - E. Tangible
134. Which of the following processes relates to warehouse functions?
- A. Manufacturing and service
 - B. Intangible
 - C. Logistics
 - D. Distribution
 - E. Tangible
135. Which of the following are involved with the actual production of goods and services?
- A. Manufacturing and service
 - B. Intangible
 - C. Logistics
 - D. Distribution
 - E. Tangible
136. Which is not true regarding the 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 choices are correct.
137. What type of process are services typically associated with?
- A. Tangible
 - B. Intangible
 - C. Direct
 - D. Indirect
 - E. Bundles
138. Service process are typically referred to as _____ where manufacturing process are typically referred to as _____.
- A. Intangible, Direct
 - B. Indirect, Direct
 - C. Intangible, Tangible
 - D. Direct, Indirect
 - E. Tangible, Indirect

139. Which of the following distinguishes services from goods?
- A. Level of tangibility
 - B. Level of intangibility
 - C. Production and consumption
 - D. Customer interaction
 - E. Inventory level
140. One of the primary differences between services and goods is that goods can be what?
- A. Designed
 - B. Transformed
 - C. Specific
 - D. Measured for productivity
 - E. Inventoried
141. Which of the following is not an explicit aspect of service?
- A. Consistency
 - B. Availability
 - C. Comprehensiveness
 - D. Atmosphere
 - E. Training of service personnel
142. Which of the following is not an implicit aspect of service?
- A. Consistency
 - B. Attitude of the servers
 - C. Waiting times
 - D. Atmosphere
 - E. Security
143. Pure goods industries, in order to differentiate, are adding some services to their operation. What is this process called?
- A. Process differentiation
 - B. Value-added services
 - C. Broadening
 - D. Process expansion
 - E. Service adoption
144. Which of the following best describes the concept of "value-added services"?
- A. An auto manufacturer offering more options in their vehicles
 - B. A phone company offering lower rates during evening hours
 - C. A hospital offering to pick-up patients at their homes
 - D. A cab company guaranteeing they will take the fastest route to a destination
 - E. A restaurant offering healthy choice menu options
145. Which of the following is not a Pure Good?
- A. Food products
 - B. Teaching
 - C. Chemicals
 - D. Book publishing
 - E. Steel production
146. Which of the following is not a Pure Service?
- A. Financial consulting
 - B. Teaching
 - C. Legal services
 - D. Medical advice
 - E. Steel production

147. As a nation's economy develops, it will shift from an agricultural base to which type of economic base?
- A. Food production based
 - B. Service based
 - C. Goods producing
 - D. Automotive
 - E. Tangible
148. Business in Canada evolved from...
- A. An agricultural marketplace
 - B. Commodity based trading
 - C. Oil discoveries
 - D. Its technological base
 - E. A manufacturing base
149. Scientific management believed that...
- A. The worker should have more control over their job.
 - B. Scientific laws could not govern how much work a person could do each day.
 - C. The scientific method does not apply to labour.
 - D. It was the workers responsibility to discover and use scientific laws at work.
 - E. Scientific laws could govern how much work a person could do each day.
150. Who developed the use of standardization in large-scale mass production using a moving assembly line?
- A. Frederick Winslow Taylor
 - B. Frank Gilbreth
 - C. Adam Smith
 - D. Charles Babbage
 - E. Henry Ford
151. Frederick Taylor believed that...
- A. Scientific laws governed how much work a person could do each day
 - B. The worker should have more control over his job
 - C. For a worker to be efficient he (she) should always be busy
 - D. Each person should dictate how much work they could do in a day
 - E. Management should rely on worker input when designing a process
152. The concept of industrial psychology and the moving assembly line aligns with which of the following eras in the Historical Summary of OM?
- A. 1910's
 - B. 1930's
 - C. 1940-1960's
 - D. 1970's
 - E. 1980's
153. The concept of quality control aligns with which of the following eras in the Historical Summary of OM?
- A. 1910's
 - B. 1930's
 - C. 1940-1960's
 - D. 1970's
 - E. 1980's

154. The concept of widespread use of computers aligns with which of the following eras in the Historical Summary of OM?
- A. 1940-1960's
 - B. 1970's
 - C. 1980's
 - D. 1990's
 - E. 2000's
155. The concept of extensive development of operations management research aligns with which of the following eras in the Historical Summary of OM?
- A. 1940-1960's
 - B. 1970's
 - C. 1980's
 - D. 1990's
 - E. 2000's
156. The concept of total quality management aligns with which of the following eras in the Historical Summary of OM?
- A. 1940-1960's
 - B. 1970's
 - C. 1980's
 - D. 1990's
 - E. 2000's
157. The concept of supply chain management and e-commerce aligns with which of the following eras in the Historical Summary of OM?
- A. 1940-1960's
 - B. 1970's
 - C. 1980's
 - D. 1990's
 - E. 2000's
158. The concept of JIT, TQC and factory automation aligns with which of the following eras in the Historical Summary of OM?
- A. 1940-1960's
 - B. 1970's
 - C. 1980's
 - D. 1990's
 - E. 2000's
159. Which of the following aspects of Ford's moving assembly line were critical to its success?
- A. Standardization
 - B. Quality
 - C. On-time delivery
 - D. People
 - E. All of the above were critical aspects of success
160. What was the primary reason for Canada's and the U.S.'s. manufacturing prosperity following World War II?
- A. Availability of materials
 - B. Availability of workers
 - C. Proximity to markets
 - D. Lack of international competition
 - E. Technology

161. Today, companies view operations and supply management as what?
- A. A non-functional area of business
 - B. A function that is primarily driven by marketing
 - C. A function that is primarily driven by seeking the lowest price
 - D. A competitive weapon
 - E. A non-competitive factor of business
162. Today, many experts emphasize that Canada should focus on what aspects of operations and supply management?
- A. Mass production and high volume
 - B. Innovation and value-added goods and services
 - C. Mass customization and low volume
 - D. Importing high tech items
 - E. Importing more than they are exporting
163. Which of the following is not a current issue in global operations and supply management?
- A. Outsourcing of parts and services
 - B. Optimizing supplier networks
 - C. Decreasing the value-added component of goods and services
 - D. Increased co-production of goods and services
 - E. Managing customer service points
164. Which of the following is not a current issue in global operations and supply management?
- A. Corporate responsibility in supply chains
 - B. Taking more environmental responsibility
 - C. Increasing the value-added component of goods and services
 - D. Decreased co-production of goods and services
 - E. Raising senior management awareness of operations as a competitive weapon
165. Which of the following does not align with the concept of environmental responsibility in business?
- A. Use of more recycled material
 - B. Friendly production
 - C. Redesigning products
 - D. ISO14000 certification
 - E. All of the above align with the environmental concept
166. A reason for studying operations management (OSM) is which of the following?
- A. OSM is essential for understanding organizational behavior
 - B. Most business graduates do OSM work regardless of their job title
 - C. Concepts and tools of OSM are useful in other functions of business
 - D. OSM is a required course in all business degree programs
 - E. OSM is the most rigorous business discipline
167. This refers to the processes that are used to transform resources into goods and services.
- _____
- _____
168. This refers to how materials and services are moved to and from the transformation processes.
- _____
- _____
169. What is the operations term meaning doing something at the lowest possible cost?
- _____
- _____
170. What is the operations term meaning doing the right things to create the most value for the company?
- _____
- _____

171. What is the operations term which can be defined metaphorically as quality divided by price?

172. What is the term used to define the process where resource inputs are converted into outputs?

173. What is the operations process that examines the various ways that material can be moved?

174. What is the operations process related to warehouse functions? _____

175. What is the type of operations process called that relates to services? _____

176. What is the type of operations process called that relates to the manufacturing of goods?

177. What is another name for the interchangeable parts that Henry Ford used in his assembly line process?

178. _____ is the design, operation and improvement of the systems that create and deliver a firm's primary products and services.

179. Discuss why knowledge of the operations and supply management function is critical to every manager.

180. Discuss the concepts of efficiency, effectiveness and value.

181. Discuss the transformation process and provide two different examples of transformation processes.

182. Discuss the differences between goods and services.

183. Discuss any two of the current issues in operations and supply management as listed in the text.

1 Key

1. Efficiency means doing the right things to create the most value for the company.

FALSE

*Jacobs - Chapter 01 #1
Learning Objective: 3
Level: Easy
Solution Page No: 7*

2. Effectiveness means doing the right things to create the most value for the company.

TRUE

*Jacobs - Chapter 01 #2
Learning Objective: 3
Level: Easy
Solution Page No: 7*

3. A doctor completes a surgical procedure on a patient without error. The patient dies anyway. In operations management terms, we could refer to this doctor as being efficient but not effective.

TRUE

*Jacobs - Chapter 01 #3
Learning Objective: 3
Level: Medium
Solution Page No: 7*

4. A worker can be efficient without being effective.

TRUE

*Jacobs - Chapter 01 #4
Learning Objective: 3
Level: Medium
Solution Page No: 7*

5. A process can be effective without being efficient.

TRUE

*Jacobs - Chapter 01 #5
Learning Objective: 3
Level: Medium
Solution Page No: 7*

6. Operations and supply management is defined as the design, operation, and improvement of the systems that create and deliver the firm's primary products and services.

TRUE

*Jacobs - Chapter 01 #6
Learning Objective: 1
Level: Easy
Solution Page No: 4*

7. The term "value" refers to the relationship between quality and the price paid by the consumer.

TRUE

*Jacobs - Chapter 01 #7
Learning Objective: 3
Level: Easy
Solution Page No: 7*

8. Operations and supply management is a functional area of business with clear line-management responsibilities.

TRUE

*Jacobs - Chapter 01 #8
Learning Objective: 1
Level: Easy
Solution Page No: 4*

9. Because the text states that "At the most fundamental level, operations and supply management is about getting the day-to-day work done quickly, efficiently, without errors, and at low cost." there is little in the field of operations and supply management that relates to overall corporate strategy.

FALSE

*Jacobs - Chapter 01 #9
Learning Objective: 1
Level: Medium
Solution Page No: 6*

10. Producing a product such as a cell phone is an operations function, whereas providing a service such as cellular phone account is not.
FALSE
- Jacobs - Chapter 01 #10
Learning Objective: 1
Level: Easy
Solution Page No: 5*
11. Operations and supply management is concerned with managing the internal transformation process but is not concerned with dealer or distribution networks.
FALSE
- Jacobs - Chapter 01 #11
Learning Objective: 1
Level: Easy
Solution Page No: 5*
12. There is a growing recognition that OSM functions aren't limited to the production line, but are applicable to other areas in a variety of firms.
TRUE
- Jacobs - Chapter 01 #12
Learning Objective: 1
Level: Medium
Solution Page No: 5*
13. If an individual is interested in becoming an effective manager they need to have an understanding of the operations and supply management function.
TRUE
- Jacobs - Chapter 01 #13
Learning Objective: 2
Level: Easy
Solution Page No: 5*
14. Central to the concept of operations and supply management is that knowledge of OSM functions are useful in areas such as medicine or accounting.
TRUE
- Jacobs - Chapter 01 #14
Learning Objective: 1
Level: Easy
Solution Page No: 6*
15. At the most fundamental level operations and supply management is about getting work done quickly and efficiently.
TRUE
- Jacobs - Chapter 01 #15
Learning Objective: 1
Level: Easy
Solution Page No: 6*
16. The term "Operations" refers to the processes that are used to transform resources into goods and services.
TRUE
- Jacobs - Chapter 01 #16
Learning Objective: 1
Level: Easy
Solution Page No: 6*
17. The term "Supply" refers to how materials and services are moved to and from the transformation process.
TRUE
- Jacobs - Chapter 01 #17
Learning Objective: 1
Level: Easy
Solution Page No: 6*

18. The term operations and supply management refers to an integrated system that extends from the purchase of material from suppliers, through to the supply of products and services where they can be purchased by the customer.
TRUE
- Jacobs - Chapter 01 #18
Learning Objective: 1
Level: Medium
Solution Page No: 6*
19. All managers should understand the basic principles that guide the design of the transformation process.
TRUE
- Jacobs - Chapter 01 #19
Learning Objective: 2
Level: Medium
Solution Page No: 7*
20. Operations and supply management is not critical to the success of a firm.
FALSE
- Jacobs - Chapter 01 #20
Learning Objective: 1
Level: Easy
Solution Page No: 7*
21. Saving a dollar in how a product is produced or distributed results directly to an extra dollar of profit.
TRUE
- Jacobs - Chapter 01 #21
Learning Objective: 1
Level: Medium
Solution Page No: 7*
22. Innovations in the field of operations are relatively reliable and low cost.
TRUE
- Jacobs - Chapter 01 #22
Learning Objective: 1
Level: Medium
Solution Page No: 7*
23. A business education is incomplete without an understanding of modern approaches to managing operations.
TRUE
- Jacobs - Chapter 01 #23
Learning Objective: 2
Level: Easy
Solution Page No: 8*
24. Operations and supply management provides a systematic way at looking at organizational processes.
TRUE
- Jacobs - Chapter 01 #24
Learning Objective: 1
Level: Medium
Solution Page No: 8*
25. The field of operations and supply management presents a very limited range of interesting career opportunities.
FALSE
- Jacobs - Chapter 01 #25
Learning Objective: 2
Level: Easy
Solution Page No: 8*
26. The concepts and tools of operations and supply management are not widely used in managing other functions of business.
FALSE
- Jacobs - Chapter 01 #26
Learning Objective: 2
Level: Medium
Solution Page No: 8*

27. Today the operations function is seen as essential to firm competitiveness.
TRUE
- Jacobs - Chapter 01 #27
Learning Objective: 2
Level: Easy
Solution Page No: Chapter concept*
28. Operations management as a discipline has yet to address the problems of services companies.
FALSE
- Jacobs - Chapter 01 #28
Learning Objective: 5
Level: Easy
Solution Page No: 7.*
29. Transformation processes are used in all types of businesses.
TRUE
- Jacobs - Chapter 01 #29
Learning Objective: 4
Level: Easy
Solution Page No: 8*
30. Transformation processes are used primarily in manufacturing businesses.
FALSE
- Jacobs - Chapter 01 #30
Learning Objective: 4
Level: Easy
Solution Page No: 8*
31. A transformation process uses resources to convert outputs into some desired input.
FALSE
- Jacobs - Chapter 01 #31
Learning Objective: 4
Level: Easy
Solution Page No: 8*
32. Manufacturing OSM transformations are referred to as physical transformations.
TRUE
- Jacobs - Chapter 01 #32
Learning Objective: 4
Level: Medium
Solution Page No: 8*
33. Transportation OSM transformations are referred to as physical transformations.
FALSE
- Jacobs - Chapter 01 #33
Learning Objective: 4
Level: Medium
Solution Page No: 8*
34. Transportation OSM transformations are referred to as locational transformations.
TRUE
- Jacobs - Chapter 01 #34
Learning Objective: 4
Level: Medium
Solution Page No: 8*
35. Manufacturing OSM transformations are referred to as physiological transformations.
FALSE
- Jacobs - Chapter 01 #35
Learning Objective: 4
Level: Medium
Solution Page No: 8*
36. Retailing OSM transformations are referred to as physiological transformations.
FALSE
- Jacobs - Chapter 01 #36
Learning Objective: 4
Level: Medium
Solution Page No: 8*

37. Retailing OSM transformations are referred to as exchange transformations.
TRUE
- Jacobs - Chapter 01 #37
Learning Objective: 4
Level: Medium
Solution Page No: 8*
38. Warehousing OSM transformations are referred to as storage transformations.
TRUE
- Jacobs - Chapter 01 #38
Learning Objective: 4
Level: Medium
Solution Page No: 8*
39. Warehousing OSM transformations are referred to as exchange transformations.
FALSE
- Jacobs - Chapter 01 #39
Learning Objective: 4
Level: Medium
Solution Page No: 8*
40. Health care OSM transformations are referred to as storage transformations.
FALSE
- Jacobs - Chapter 01 #40
Learning Objective: 4
Level: Medium
Solution Page No: 8*
41. Health care OSM transformations are referred to as physiological transformations.
TRUE
- Jacobs - Chapter 01 #41
Learning Objective: 4
Level: Medium
Solution Page No: 8*
42. Telecommunications OSM transformations are referred to as exchange transformations.
FALSE
- Jacobs - Chapter 01 #42
Learning Objective: 4
Level: Medium
Solution Page No: 8*
43. Telecommunications OSM transformations are referred to as informational transformations.
TRUE
- Jacobs - Chapter 01 #43
Learning Objective: 4
Level: Medium
Solution Page No: 8*
44. Best practices/best processes depend on such factors as volume, cost and speed of delivery.
TRUE
- Jacobs - Chapter 01 #44
Learning Objective: 2
Level: Medium
Solution Page No: 10*
45. Logistics process identify the various ways that material can be moved.
TRUE
- Jacobs - Chapter 01 #45
Learning Objective: 1
Level: Easy
Solution Page No: 10*
46. Distribution processes relate to warehouse functions.
TRUE
- Jacobs - Chapter 01 #46
Learning Objective: 1
Level: Easy
Solution Page No: 10*

47. Manufacturing and service processes are involved with the actual production of the goods and services desired by customers.
TRUE
- Jacobs - Chapter 01 #47
Learning Objective: 1
Level: Easy
Solution Page No: 10*
48. Logistics process are relate to warehouse functions.
FALSE
- Jacobs - Chapter 01 #48
Learning Objective: 1
Level: Easy
Solution Page No: 10*
49. Distribution processes are involved with the actual production of the goods and services desired by customers.
FALSE
- Jacobs - Chapter 01 #49
Learning Objective: 1
Level: Easy
Solution Page No: 10*
50. Manufacturing and service processes are involved with moving material.
FALSE
- Jacobs - Chapter 01 #50
Learning Objective: 1
Level: Easy
Solution Page No: 10*
51. The transformation process is the actual conversion of inputs into outputs.
TRUE
- Jacobs - Chapter 01 #51
Learning Objective: 4
Level: Easy
Solution Page No: 8*
52. A service is an intangible process that cannot be weighed or measured.
TRUE
- Jacobs - Chapter 01 #52
Learning Objective: 5
Level: Easy
Solution Page No: 11*
53. A good is an intangible process that cannot be weighed or measured.
FALSE
- Jacobs - Chapter 01 #53
Learning Objective: 5
Level: Easy
Solution Page No: 11*
54. A good is a tangible output of a process that has physical dimensions.
TRUE
- Jacobs - Chapter 01 #54
Learning Objective: 5
Level: Easy
Solution Page No: 11*
55. A good is an intangible output of a process that has physical dimensions.
FALSE
- Jacobs - Chapter 01 #55
Learning Objective: 5
Level: Easy
Solution Page No: 11*
56. Service requires some degree of interaction with the customer for it to be a service.
TRUE
- Jacobs - Chapter 01 #56
Learning Objective: 5
Level: Easy
Solution Page No: 11*

57. Services are usually produced in one location and consumed by the customer in a different location.
FALSE
- Jacobs - Chapter 01 #57
Learning Objective: 5
Level: Easy
Solution Page No: 11*
58. Goods are usually produced in a facility separate from the customer.
TRUE
- Jacobs - Chapter 01 #58
Learning Objective: 5
Level: Easy
Solution Page No: 11*
59. Services vary from day to day and even hour to hour as a function of the attitudes of the customer and the servers.
TRUE
- Jacobs - Chapter 01 #59
Learning Objective: 5
Level: Easy
Solution Page No: 11*
60. Services tend to be consistent and do not vary from day to day and even hour to hour as a function of the attitudes of the customer and the servers.
FALSE
- Jacobs - Chapter 01 #60
Learning Objective: 5
Level: Easy
Solution Page No: 11*
61. Goods can be produced to meet tight specifications from day to day and even hour to hour with essentially zero variability.
TRUE
- Jacobs - Chapter 01 #61
Learning Objective: 5
Level: Easy
Solution Page No: 11*
62. Services as a process are perishable and time dependant.
TRUE
- Jacobs - Chapter 01 #62
Learning Objective: 5
Level: Easy
Solution Page No: 11*
63. Services specifications are defined and evaluated as a package of features that affect the five senses.
TRUE
- Jacobs - Chapter 01 #63
Learning Objective: 5
Level: Easy
Solution Page No: 11*
64. Most product offerings are a combination of goods and services.
TRUE
- Jacobs - Chapter 01 #64
Learning Objective: 5
Level: Easy
Solution Page No: 11*
65. Pure goods industries are adding additional value-added services to improve their competitiveness and increase margins.
TRUE
- Jacobs - Chapter 01 #65
Learning Objective: 5
Level: Medium
Solution Page No: 12*

66. Core goods producers are adding services as a significant component of their business.
TRUE
- Jacobs - Chapter 01 #66
Learning Objective: 5
Level: Medium
Solution Page No: 12*
67. The Goods-Services continuum extends from Pure Goods through to Pure Services.
TRUE
- Jacobs - Chapter 01 #67
Learning Objective: 5
Level: Easy
Solution Page No: 12*
68. The Goods-Services continuum extends from Pure Goods through to Core Goods.
FALSE
- Jacobs - Chapter 01 #68
Learning Objective: 5
Level: Easy
Solution Page No: 12*
69. The Goods-Services continuum extends from Core Services through to Pure Services.
FALSE
- Jacobs - Chapter 01 #69
Learning Objective: 5
Level: Easy
Solution Page No: 12*
70. An example of a core service provider integrating tangible goods into their business would be a cable television company offering high-definition cable boxes.
TRUE
- Jacobs - Chapter 01 #70
Learning Objective: 5
Level: Medium
Solution Page No: 12*
71. An example of a core goods provider integrating a service component into their business would be an automobile manufacturer providing spare parts distribution to support their dealers.
TRUE
- Jacobs - Chapter 01 #71
Learning Objective: 5
Level: Medium
Solution Page No: 12*
72. In Canada the majority of the work force is employed in service as opposed to being employed in manufacturing.
TRUE
- Jacobs - Chapter 01 #72
Learning Objective: 2
Level: Easy
Solution Page No: 12*
73. In Canada the majority of the work force is employed in manufacturing as opposed to being employed in service.
FALSE
- Jacobs - Chapter 01 #73
Learning Objective: 2
Level: Easy
Solution Page No: 12*
74. In Canada there has been a shift in the workforce profile, whereas now there are more people employed in services than there were one hundred years ago.
TRUE
- Jacobs - Chapter 01 #74
Learning Objective: 2
Level: Easy
Solution Page No: 12*

75. In developing countries there is a smaller proportion of people employed in services.

TRUE

*Jacobs - Chapter 01 #75
Learning Objective: 2
Level: Easy
Solution Page No: 12*

76. Business in Canada began from a commodity-based economic system.

TRUE

*Jacobs - Chapter 01 #76
Learning Objective: 6
Level: Easy
Solution Page No: 13*

77. Business in Canada began from an agricultural-based economic system.

FALSE

*Jacobs - Chapter 01 #77
Learning Objective: 6
Level: Easy
Solution Page No: 13*

78. Scientific management is viewed as the first, major historical landmark of operations management.

TRUE

*Jacobs - Chapter 01 #78
Learning Objective: 6
Level: Medium
Solution Page No: 13*

79. Fredrick Taylor's philosophy holds that scientific laws govern how much a worker can produce per day.

TRUE

*Jacobs - Chapter 01 #79
Learning Objective: 6
Level: Medium
Solution Page No: 13*

80. Frederick W. Taylor felt that the worker should not determine how much to produce or the best process for production efficiency.

TRUE

*Jacobs - Chapter 01 #80
Learning Objective: 6
Level: Medium
Solution Page No: 13*

81. Frederick W. Taylor felt that the worker should determine how much they could produce each day.

FALSE

*Jacobs - Chapter 01 #81
Learning Objective: 6
Level: Medium
Solution Page No: 13*

82. Under the Historical Summary of operations management the era of the 1930's saw the concept of quality control begin to be widely adopted.

TRUE

*Jacobs - Chapter 01 #82
Learning Objective: 6
Level: Medium
Solution Page No: 14*

83. Under the Historical Summary of operations management the era of the 1970's saw the concept of quality control begin to be widely adopted.

FALSE

*Jacobs - Chapter 01 #83
Learning Objective: 6
Level: Medium
Solution Page No: 14*

84. Under the Historical Summary of operations management the era of the 1970's saw the concept of the use of computers begin to be widely adopted.
TRUE
- Jacobs - Chapter 01 #84
Learning Objective: 6
Level: Medium
Solution Page No: 14*
85. Under the Historical Summary of operations management the era of the 1970's saw the concept of total quality management begin to be widely adopted.
FALSE
- Jacobs - Chapter 01 #85
Learning Objective: 6
Level: Medium
Solution Page No: 14*
86. Under the Historical Summary of operations management the era of the 1990's saw the concept of total quality management begin to be widely adopted.
TRUE
- Jacobs - Chapter 01 #86
Learning Objective: 6
Level: Medium
Solution Page No: 14*
87. Under the Historical Summary of operations management the era of the 1910's saw the concept of total quality management begin to be widely adopted.
FALSE
- Jacobs - Chapter 01 #87
Learning Objective: 6
Level: Medium
Solution Page No: 14*
88. Under the Historical Summary of operations management the era of the 1910's saw the concept of the principles of scientific management begin to be widely adopted.
TRUE
- Jacobs - Chapter 01 #88
Learning Objective: 6
Level: Medium
Solution Page No: 14*
89. Under the Historical Summary of operations management the era of the 2000's saw the concept of supply chain management begin to be widely adopted.
TRUE
- Jacobs - Chapter 01 #89
Learning Objective: 6
Level: Medium
Solution Page No: 14*
90. Under the Historical Summary of operations management the era of the 1980's saw the concept of JIT, TQC and automation begin to be widely adopted.
TRUE
- Jacobs - Chapter 01 #90
Learning Objective: 6
Level: Medium
Solution Page No: 14*
91. Under the Historical Summary of operations management the era of the 1940s-60's saw the concept of JIT, TQC and automation begin to be widely adopted.
FALSE
- Jacobs - Chapter 01 #91
Learning Objective: 6
Level: Medium
Solution Page No: 14*
92. Under the Historical Summary of operations management the era of the 1940s-60's saw the development of operations research tools begin to be widely developed.
TRUE
- Jacobs - Chapter 01 #92
Learning Objective: 6
Level: Medium
Solution Page No: 14*

93. Under the Historical Summary of operations management the era of the 1930's saw the development of operations research tools begin to be widely developed.
FALSE
- Jacobs - Chapter 01 #93
Learning Objective: 6
Level: Medium
Solution Page No: 14*
94. One of the machine age's greatest technological innovations was the moving assembly line.
TRUE
- Jacobs - Chapter 01 #94
Learning Objective: 6
Level: Medium
Solution Page No: 15*
95. As the basis of its functionality, the assembly line depended on interchangeable or standardized parts.
TRUE
- Jacobs - Chapter 01 #95
Learning Objective: 6
Level: Easy
Solution Page No: 15*
96. The development of interchangeable or standardized parts was not a key component of the modern assembly line of 1913.
FALSE
- Jacobs - Chapter 01 #96
Learning Objective: 6
Level: Easy
Solution Page No: 15*
97. After the end of World War II the high demand for commodities lead operations to produce large quantities of standardized products at minimum cost and low quality.
TRUE
- Jacobs - Chapter 01 #97
Learning Objective: 6
Level: Easy
Solution Page No: 15*
98. When foreign manufacturers of commodities, especially the Japanese, entered the North American market North American manufacturers were ill-equipped to respond quickly.
TRUE
- Jacobs - Chapter 01 #98
Learning Objective: 6
Level: Easy
Solution Page No: 15*
99. As far back as the 1960's it was suggested that companies should place strategic emphasis on operations.
TRUE
- Jacobs - Chapter 01 #99
Learning Objective: 1
Level: Medium
Solution Page No: 15*
100. Today companies view marketing as their greatest competitive weapon and place great importance on this function.
FALSE
- Jacobs - Chapter 01 #100
Learning Objective: 2
Level: Easy
Solution Page No: 15*
101. Today companies view operations as their greatest competitive weapon and place great importance on this function.
TRUE
- Jacobs - Chapter 01 #101
Learning Objective: 2
Level: Easy
Solution Page No: 15*

102. Many experts agree that Canada, specifically Canadian business operations, should focus on innovation and value-added goods and services.
TRUE
- Jacobs - Chapter 01 #102
Learning Objective: 2
Level: Medium
Solution Page No: 15*
103. Many experts agree that Canada, specifically Canadian business operations, should focus on commodities and mass production as their niche in the global marketplace.
FALSE
- Jacobs - Chapter 01 #103
Learning Objective: 2
Level: Medium
Solution Page No: 15*
104. A recent trend in operations and supply management is the dramatic surge in the outsourcing of parts and services.
TRUE
- Jacobs - Chapter 01 #104
Learning Objective: 7
Level: Medium
Solution Page No: 16*
105. Current trends in the field of operations and supply management are optimizing global supplier, production and distribution networks.
TRUE
- Jacobs - Chapter 01 #105
Learning Objective: 7
Level: Medium
Solution Page No: 16*
106. The use of information sharing has seen an increase in the co-production of goods and services.
TRUE
- Jacobs - Chapter 01 #106
Learning Objective: 7
Level: Medium
Solution Page No: 16*
107. Resource utilization decisions must include customer support personnel as a key component of operations and supply management.
TRUE
- Jacobs - Chapter 01 #107
Learning Objective: 1
Level: Medium
Solution Page No: 17*
108. Raising senior management awareness of operations is not considered a significant competitive weapon.
FALSE
- Jacobs - Chapter 01 #108
Learning Objective: 2
Level: Medium
Solution Page No: 17*
109. Environmental responsibility is a key future trend in operations and supply management.
TRUE
- Jacobs - Chapter 01 #109
Learning Objective: 7
Level: Medium
Solution Page No: 17*
110. Environmental responsibility is not seen as a key future trend in operations and supply management.
FALSE
- Jacobs - Chapter 01 #110
Learning Objective: 7
Level: Medium
Solution Page No: 17*

111. Corporate responsibility and fair trade practices are not seen as future trends in operations and supply management.

FALSE

*Jacobs - Chapter 01 #111
Learning Objective: 7
Level: Medium
Solution Page No: 17*

112. Unlike the United States, which evolved from an agricultural marketplace, business in Canada began with commodity-based trading.

TRUE

*Jacobs - Chapter 01 #112
Learning Objective: 6
Level: Easy
Solution Page No: 13*

113. Operations and supply management does not involve which of the following?

- A. Using operations research/management science decision-making tools
- B. Industrial engineering issues
- C. Line management responsibilities
- D. Improving operating systems
- E.** Portfolio management

*Jacobs - Chapter 01 #113
Learning Objective: 2
Level: Easy
Solution Page No: Chapter concept*

114. Operations management is applicable...

- A. Mostly in the service sector.
- B. To services exclusively.
- C. Mostly in the manufacturing sector.
- D.** To both manufacturing and service sectors.
- E. To the manufacturing sector exclusively.

*Jacobs - Chapter 01 #114
Learning Objective: 1
Level: Medium
Solution Page No: 4*

115. Which of the following is not typically a component of the supply chain?

- A. Procuring raw materials
- B. Transformation. Delivery
- C.** Cost accounting
- D. Warehousing

*Jacobs - Chapter 01 #115
Learning Objective: 1
Level: Medium
Solution Page No: 5*

116. The concept of operations and supply management should be important to which of the following management areas?

- A. Production
- B. Marketing
- C. Finance
- D. Engineering
- E.** All of the above areas should understand the importance of the OSM function

*Jacobs - Chapter 01 #116
Learning Objective: 2
Level: Easy
Solution Page No: 5*

117. At the most fundamental level operations and supply management is concerned about what?
- A. Getting work done quickly
 - B. Getting work done efficiently
 - C. Getting work done without error
 - D. Getting work done at a low cost
 - E. OSM is concerned about all of the above**

*Jacobs - Chapter 01 #117
Learning Objective: 1
Level: Medium
Solution Page No: 6*

118. Which of the following refers to the processes that are used to transform resources into goods and services?
- A. Processing
 - B. Operations**
 - C. Transforming
 - D. Supply
 - E. Servicing

*Jacobs - Chapter 01 #118
Learning Objective: 1
Level: Easy
Solution Page No: 6*

119. Which of the following refers to how materials and services are moved to and from the transformation processes?
- A. Processing
 - B. Operations
 - C. Transforming
 - D. Supply**
 - E. Servicing

*Jacobs - Chapter 01 #119
Learning Objective: 1
Level: Easy
Solution Page No: 6*

120. All managers should understand which of the following transformation processes?
- A. How processes are organized
 - B. How capacity is determined
 - C. Process time
 - D. How quality is monitored
 - E. Managers should understand all of the above processes**

*Jacobs - Chapter 01 #120
Learning Objective: 2
Level: Medium
Solution Page No: 7*

121. Saving a dollar in how a product is produced or distributed results directly in what?
- A. An extra dollar of cost
 - B. An extra dollar of profit**
 - C. An extra \$.20 of profit
 - D. No impact on profit or cost
 - E. An extra two dollars of profit

*Jacobs - Chapter 01 #121
Learning Objective: 2
Level: Easy
Solution Page No: 7*

122. Which of the following means doing something at the lowest possible cost?
- A. Effectiveness
 - B. Efficiency**
 - C. Cost effectiveness
 - D. Value
 - E. Break even

*Jacobs - Chapter 01 #122
Learning Objective: 3
Level: Easy
Solution Page No: 7*

123. Which of the following means doing the right things to create the most value?
- A. Effectiveness**
 - B. Efficiency
 - C. Cost effectiveness
 - D. Value
 - E. Break even

*Jacobs - Chapter 01 #123
Learning Objective: 3
Level: Easy
Solution Page No: 7*

124. Which of the following can be defined as quality divided by price?
- A. Effectiveness
 - B. Efficiency
 - C. Cost effectiveness
 - D. Value**
 - E. Break even

*Jacobs - Chapter 01 #124
Learning Objective: 3
Level: Easy
Solution Page No: 7*

125. "Reinventing government" initiatives rely heavily on which of the following operations and supply management concepts?
- A. Total quality management
 - B. Business process reengineering
 - C. Supply chain management
 - D. Just-in-Time delivery
 - E. All of the above are components of reinventing government initiatives**

*Jacobs - Chapter 01 #125
Learning Objective: 1
Learning Objective: 2
Level: Medium
Solution Page No: 8*

126. Which of the following are reasons for studying operations and supply management?
- A. To understand modern approaches to management
 - B. Systematic way of looking at processes
 - C. Career opportunities
 - D. Concepts are transferable to other functions of business
 - E. All of the above are reasons to study OSM**

*Jacobs - Chapter 01 #126
Learning Objective: 2
Level: Easy
Solution Page No: 8*

127. The operations and supply management transformation process consists of which of the following?
- A. Feedback, external factors and transformations.
 - B. Inputs, outputs and customers.
 - C. Customers, inputs and resources.
 - D.** Inputs, transformation and outputs.
 - E. Resources, customers and internal factors.

*Jacobs - Chapter 01 #127
Learning Objective: 4
Level: Medium
Solution Page No: 8*

128. The operations management transformation process in a hospital is primarily which of the following?
- A. Physical
 - B. Locational
 - C. Exchange
 - D.** Physiological
 - E. Storage

*Jacobs - Chapter 01 #128
Learning Objective: 4
Level: Medium
Solution Page No: 8*

129. The operations management transformation process in a manufacturing firm is primarily which of the following?
- A.** Physical
 - B. Locational
 - C. Exchange
 - D. Storage
 - E. Physiological

*Jacobs - Chapter 01 #129
Learning Objective: 4
Level: Medium
Solution Page No: 8*

130. The operations management transformation process in retailing is primarily which of the following?
- A. Physical
 - B. Locational
 - C.** Exchange
 - D. Storage
 - E. Physiological

*Jacobs - Chapter 01 #130
Learning Objective: 4
Level: Medium
Solution Page No: 8*

131. The operations management transformation process in the trucking industry is primarily which of the following?
- A. Physical
 - B.** Locational
 - C. Exchange
 - D. Physiological
 - E. Storage

*Jacobs - Chapter 01 #131
Learning Objective: 4
Level: Medium
Solution Page No: 8*

132. Match the transformations of 1) exchange, 2) physical, 3) physiological, and 4) storage with their respective examples given below (remember the order is given by the above sequence).
- (1) Exchange
 - (2) Physical
 - (3) Physiological
 - (4) Storage
 - (A) Manufacturing
 - (B) Making a sick person well
 - (C) Retailing
 - (D) Warehousing
- A. 1)-C, 2)-A, 3)-D, 4)-B
B. 1)-D, 2)-A, 3)-C, 4)-B
C. 1)-A, 2)-B, 3)-D, 4)-C
D. 1)-B, 2)-C, 3)-D, 4)-A
E. 1)-C, 2)-A, 3)-B, 4)-D

*Jacobs - Chapter 01 #132
Learning Objective: 4
Level: Hard
Solution Page No: 8*

133. Which of the following process refers to the various ways that material can be moved?
- A. Manufacturing and service
 - B. Intangible
 - C. Logistics**
 - D. Distribution
 - E. Tangible

*Jacobs - Chapter 01 #133
Learning Objective: 1
Level: Easy
Solution Page No: 8*

134. Which of the following processes relates to warehouse functions?
- A. Manufacturing and service
 - B. Intangible
 - C. Logistics
 - D. Distribution**
 - E. Tangible

*Jacobs - Chapter 01 #134
Learning Objective: 1
Level: Easy
Solution Page No: 10*

135. Which of the following are involved with the actual production of goods and services?
- A. Manufacturing and service**
 - B. Intangible
 - C. Logistics
 - D. Distribution
 - E. Tangible

*Jacobs - Chapter 01 #135
Learning Objective: 1
Level: Easy
Solution Page No: 10*

136. Which is not true regarding the 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 choices are correct.

*Jacobs - Chapter 01 #136
Learning Objective: 5
Level: Medium
Solution Page No: 11*

137. What type of process are services typically associated with?
- A. Tangible
 - B. Intangible**
 - C. Direct
 - D. Indirect
 - E. Bundles

*Jacobs - Chapter 01 #137
Learning Objective: 5
Level: Easy
Solution Page No: 11*

138. Service process are typically referred to as _____ where manufacturing process are typically referred to as _____.
- A. Intangible, Direct
 - B. Indirect, Direct
 - C. Intangible, Tangible**
 - D. Direct, Indirect
 - E. Tangible, Indirect

*Jacobs - Chapter 01 #138
Learning Objective: 5
Level: Easy
Solution Page No: 11*

139. Which of the following distinguishes services from goods?
- A. Level of tangibility
 - B. Level of intangibility
 - C. Production and consumption
 - D. Customer interaction**
 - E. Inventory level

*Jacobs - Chapter 01 #139
Learning Objective: 5
Level: Medium
Solution Page No: 11*

140. One of the primary differences between services and goods is that goods can be what?
- A. Designed
 - B. Transformed
 - C. Specific
 - D. Measured for productivity
 - E. Inventoried**

*Jacobs - Chapter 01 #140
Learning Objective: 5
Level: Medium
Solution Page No: 11*

141. Which of the following is not an explicit aspect of service?
- A. Consistency
 - B. Availability
 - C. Comprehensiveness
 - D. Atmosphere**
 - E. Training of service personnel

*Jacobs - Chapter 01 #141
Learning Objective: 5
Level: Hard
Solution Page No: 11*

142. Which of the following is not an implicit aspect of service?
- A. Consistency**
 - B. Attitude of the servers
 - C. Waiting times
 - D. Atmosphere
 - E. Security

*Jacobs - Chapter 01 #142
Learning Objective: 5
Level: Hard
Solution Page No: 11*

143. Pure goods industries, in order to differentiate, are adding some services to their operation. What is this process called?
- A. Process differentiation
 - B. Value-added services**
 - C. Broadening
 - D. Process expansion
 - E. Service adoption

*Jacobs - Chapter 01 #143
Learning Objective: 5
Level: Hard
Solution Page No: 12*

144. Which of the following best describes the concept of "value-added services"?
- A. An auto manufacturer offering more options in their vehicles
 - B. A phone company offering lower rates during evening hours
 - C. A hospital offering to pick-up patients at their homes**
 - D. A cab company guaranteeing they will take the fastest route to a destination
 - E. A restaurant offering healthy choice menu options

*Jacobs - Chapter 01 #144
Learning Objective: 5
Level: Hard
Solution Page No: 12*

145. Which of the following is not a Pure Good?
- A. Food products
 - B. Teaching**
 - C. Chemicals
 - D. Book publishing
 - E. Steel production

*Jacobs - Chapter 01 #145
Learning Objective: 5
Level: Medium
Solution Page No: 12*

146. Which of the following is not a Pure Service?
- A. Financial consulting
 - B. Teaching
 - C. Legal services
 - D. Medical advice
 - E. Steel production**

*Jacobs - Chapter 01 #146
Learning Objective: 5
Level: Medium
Solution Page No: 12*

147. As a nation's economy develops, it will shift from an agricultural base to which type of economic base?
- A. Food production based
 - B. Service based**
 - C. Goods producing
 - D. Automotive
 - E. Tangible

*Jacobs - Chapter 01 #147
Learning Objective: 2
Level: Medium
Solution Page No: 12*

148. Business in Canada evolved from...
A. An agricultural marketplace
B. Commodity based trading
C. Oil discoveries
D. Its technological base
E. A manufacturing base

*Jacobs - Chapter 01 #148
Learning Objective: 6
Level: Easy
Solution Page No: 13*

149. Scientific management believed that...
A. The worker should have more control over their job.
B. Scientific laws could not govern how much work a person could do each day.
C. The scientific method does not apply to labour.
D. It was the workers responsibility to discover and use scientific laws at work.
E. Scientific laws could govern how much work a person could do each day.

*Jacobs - Chapter 01 #149
Learning Objective: 6
Level: Medium
Solution Page No: 13*

150. Who developed the use of standardization in large-scale mass production using a moving assembly line?
A. Frederick Winslow Taylor
B. Frank Gilbreth
C. Adam Smith
D. Charles Babbage
E. Henry Ford

*Jacobs - Chapter 01 #150
Learning Objective: 6
Level: Easy
Solution Page No: 15*

151. Frederick Taylor believed that...
A. Scientific laws governed how much work a person could do each day
B. The worker should have more control over his job
C. For a worker to be efficient he (she) should always be busy
D. Each person should dictate how much work they could do in a day
E. Management should rely on worker input when designing a process

*Jacobs - Chapter 01 #151
Learning Objective: 6
Level: Easy
Solution Page No: 13*

152. The concept of industrial psychology and the moving assembly line aligns with which of the following eras in the Historical Summary of OM?
A. 1910's
B. 1930's
C. 1940-1960's
D. 1970's
E. 1980's

*Jacobs - Chapter 01 #152
Learning Objective: 6
Level: Easy
Solution Page No: 14*

153. The concept of quality control aligns with which of the following eras in the Historical Summary of OM?
A. 1910's
B. 1930's
C. 1940-1960's
D. 1970's
E. 1980's

*Jacobs - Chapter 01 #153
Learning Objective: 6
Level: Easy
Solution Page No: 14*

154. The concept of widespread use of computers aligns with which of the following eras in the Historical Summary of OM?
A. 1940-1960's
B. 1970's
C. 1980's
D. 1990's
E. 2000's

*Jacobs - Chapter 01 #154
Learning Objective: 6
Level: Easy
Solution Page No: 14*

155. The concept of extensive development of operations management research aligns with which of the following eras in the Historical Summary of OM?
A. 1940-1960's
B. 1970's
C. 1980's
D. 1990's
E. 2000's

*Jacobs - Chapter 01 #155
Learning Objective: 6
Level: Easy
Solution Page No: 14*

156. The concept of total quality management aligns with which of the following eras in the Historical Summary of OM?
A. 1940-1960's
B. 1970's
C. 1980's
D. 1990's
E. 2000's

*Jacobs - Chapter 01 #156
Learning Objective: 6
Level: Easy
Solution Page No: 14*

157. The concept of supply chain management and e-commerce aligns with which of the following eras in the Historical Summary of OM?
A. 1940-1960's
B. 1970's
C. 1980's
D. 1990's
E. 2000's

*Jacobs - Chapter 01 #157
Learning Objective: 6
Level: Easy
Solution Page No: 14*

158. The concept of JIT, TQC and factory automation aligns with which of the following eras in the Historical Summary of OM?
- A. 1940-1960's
 - B. 1970's
 - C. 1980's**
 - D. 1990's
 - E. 2000's

*Jacobs - Chapter 01 #158
Learning Objective: 6
Level: Easy
Solution Page No: 14*

159. Which of the following aspects of Ford's moving assembly line were critical to its success?
- A. Standardization
 - B. Quality
 - C. On-time delivery
 - D. People
 - E. All of the above were critical aspects of success**

*Jacobs - Chapter 01 #159
Learning Objective: 6
Level: Medium
Solution Page No: 15*

160. What was the primary reason for Canada's and the U.S's. manufacturing prosperity following World War II?
- A. Availability of materials
 - B. Availability of workers
 - C. Proximity to markets
 - D. Lack of international competition**
 - E. Technology

*Jacobs - Chapter 01 #160
Learning Objective: 6
Level: Easy
Solution Page No: 15*

161. Today, companies view operations and supply management as what?
- A. A non-functional area of business
 - B. A function that is primarily driven by marketing
 - C. A function that is primarily driven by seeking the lowest price
 - D. A competitive weapon**
 - E. A non-competitive factor of business

*Jacobs - Chapter 01 #161
Learning Objective: 2
Level: Easy
Solution Page No: 15*

162. Today, many experts emphasize that Canada should focus on what aspects of operations and supply management?
- A. Mass production and high volume
 - B. Innovation and value-added goods and services**
 - C. Mass customization and low volume
 - D. Importing high tech items
 - E. Importing more than they are exporting

*Jacobs - Chapter 01 #162
Learning Objective: 7
Level: Medium
Solution Page No: 15*

163. Which of the following is not a current issue in global operations and supply management?
- A. Outsourcing of parts and services
 - B. Optimizing supplier networks
 - C.** Decreasing the value-added component of goods and services
 - D. Increased co-production of goods and services
 - E. Managing customer service points

Jacobs - Chapter 01 #163
Learning Objective: 7
Level: Medium
Solution Page No: 16

164. Which of the following is not a current issue in global operations and supply management?
- A. Corporate responsibility in supply chains
 - B. Taking more environmental responsibility
 - C. Increasing the value-added component of goods and services
 - D.** Decreased co-production of goods and services
 - E. Raising senior management awareness of operations as a competitive weapon

Jacobs - Chapter 01 #164
Learning Objective: 7
Level: Medium
Solution Page No: 16

165. Which of the following does not align with the concept of environmental responsibility in business?
- A. Use of more recycled material
 - B. Friendly production
 - C. Redesigning products
 - D. ISO14000 certification
 - E.** All of the above align with the environmental concept

Jacobs - Chapter 01 #165
Learning Objective: 7
Level: Easy
Solution Page No: 17

166. A reason for studying operations management (OSM) is which of the following?
- A. OSM is essential for understanding organizational behavior
 - B. Most business graduates do OSM work regardless of their job title
 - C.** Concepts and tools of OSM are useful in other functions of business
 - D. OSM is a required course in all business degree programs
 - E. OSM is the most rigorous business discipline

Jacobs - Chapter 01 #166
Learning Objective: 2
Level: Easy
Solution Page No: Chapter concept

167. This refers to the processes that are used to transform resources into goods and services.

Operations

Jacobs - Chapter 01 #167
Learning Objective: 1
Level: Easy
Solution Page No: 6

168. This refers to how materials and services are moved to and from the transformation processes.

Supply

Jacobs - Chapter 01 #168
Learning Objective: 1
Level: Easy
Solution Page No: 6

169. What is the operations term meaning doing something at the lowest possible cost?

Efficiency

Jacobs - Chapter 01 #169
Learning Objective: 3
Level: Easy
Solution Page No: 7

170. What is the operations term meaning doing the right things to create the most value for the company?

Effectiveness

*Jacobs - Chapter 01 #170
Learning Objective: 3
Level: Easy
Solution Page No: 7*

171. What is the operations term which can be defined metaphorically as quality divided by price?

Value

*Jacobs - Chapter 01 #171
Learning Objective: 3
Level: Easy
Solution Page No: 7*

172. What is the term used to define the process where resource inputs are converted into outputs?

Transformation

*Jacobs - Chapter 01 #172
Learning Objective: 4
Level: Easy
Solution Page No: 8*

173. What is the operations process that examines the various ways that material can be moved?

Logistics

*Jacobs - Chapter 01 #173
Learning Objective: 1
Level: Easy
Solution Page No: 10*

174. What is the operations process related to warehouse functions? _____

Distribution

*Jacobs - Chapter 01 #174
Learning Objective: 1
Level: Easy
Solution Page No: 10*

175. What is the type of operations process called that relates to services? _____

Intangible

*Jacobs - Chapter 01 #175
Learning Objective: 5
Level: Easy
Solution Page No: 11*

176. What is the type of operations process called that relates to the manufacturing of goods?

Tangible

*Jacobs - Chapter 01 #176
Learning Objective: 5
Level: Easy
Solution Page No: 11*

177. What is another name for the interchangeable parts that Henry Ford used in his assembly line process?

Standardized parts

*Jacobs - Chapter 01 #177
Learning Objective: 6
Level: Medium
Solution Page No: 15*

178. _____ is the design, operation and improvement of the systems that create and deliver a firms primary products and services.

Operations and supply management

*Jacobs - Chapter 01 #178
Learning Objective: 1
Level: Easy
Solution Page No: 4*

179. Discuss why knowledge of the operations and supply management function is critical to every manager.

Delivery of goods and services is critical to the survival of any business. Operations and supply management is about getting work done quickly, efficiently without error and at a low cost. It is through the timely, accurate and correct delivery of these products and services that determines a firm's success. The creation of products and services are core to any business. The higher level of understanding a manager has of the process, the better prepared they will be to manage and control. Regardless of the functional area of responsibility, a manager who understands the operations and supply function will be better prepared to make decisions that benefit of the entire organization.

*Jacobs - Chapter 01 #179
Learning Objective: 2
Level: Medium
Solution Page No: 5*

180. Discuss the concepts of efficiency, effectiveness and value.

Efficiency means doing something at the lowest possible cost. Effectiveness means doing the right things to create the most value for the company. Value is defined in the text as quality divided by price. Value is often more difficult to define. Value, and the perceived value of a product or service, is quite often different for each customer. What is deemed as value to one customer might not be of any value to the next customer. When we speak of value in operations and supply management quite often we are aiming at a moving target. This holds true in services more so than manufacturing.

*Jacobs - Chapter 01 #180
Learning Objective: 3
Level: Medium
Solution Page No: 7*

181. Discuss the transformation process and provide two different examples of transformation processes.

A transformation process uses resource inputs and converts them into some desired output. The output can be tangible as in goods, or intangible as in services. The transformation process is at the heart of all business operations. Examples of transformation processes are found on page #9 in the text.

*Jacobs - Chapter 01 #181
Learning Objective: 4
Level: Medium
Solution Page No: 9*

182. Discuss the differences between goods and services.

Both goods and services use resource inputs in the creation of a desired output. Goods are primarily tangible, where as services are intangible. With goods, they are primarily produced and consumed separate from each other. Services, on the other hand, are often produced and consumed at the same time. Quite often the customer is part of the transformation process in services. Page #11 of the text lists the five essential differences between services and goods.

*Jacobs - Chapter 01 #182
Learning Objective: 5
Level: Medium
Solution Page No: 11*

183. Discuss any two of the current issues in operations and supply management as listed in the text.

1. Coordination of business relationships.
2. Optimizing global supplier, production and distribution networks.
3. Increased co-production of goods and services.
4. Managing customer service points.
5. Raising senior management awareness of operations as a competitive weapon.
6. Taking environmental responsibility.
7. Corporate responsibility in supply chains.

Page #16 and page #17 list in detail the seven current issues in operations and supply management.

*Jacobs - Chapter 01 #183
Learning Objective: 7
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1 Summary

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