

TEST BANK

fourth canadian edition

OPERATIONS MANAGEMENT



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Chapter 02 Competitiveness, Strategy, and Productivity

1. The variety of models and options available to customers is an example of a key purchase criteria that establishes the basis of competition.

True False

2. A characteristic that was once an order winner may become an order qualifier, and vice versa.

True False

3. Order qualifiers are those characteristics of an organization's goods or services that cause them to be perceived as better than the competition.

True False

4. The purchase criteria of quality and timeliness of delivery are order winners for all companies.

True False

5. It is important that an organization have a clear and simple mission statement.

True False

6. A mission statement should provide a guide for the formulation of strategies for the organization.

True False

7. If you think of goals as destinations, then tactics are the roadmaps for reaching the destinations.

True False

8. Strategic planning includes both determining long-term plans and implementing them through allocation of resources and action plans.

True False

9. Organizational strategy must be determined without regard to the realities of functional area strengths and weaknesses.

True False

10. Tactics are short-term projects to accomplish a specific objective, assigned to an individual, with a deadline and the resources needed identified.

True False

11. The hierarchy of planning and decision-making is: mission/vision, goals, strategy, tactics, and action plans.

True False

12. The creation of operations strategy occurs at both the company and the functional level.

True False

13. Formulating an operations strategy requires focusing solely on the operations function, leaving the concerns of other functions and the status of external markets to broader organizational strategic planning.

True False

14. In large manufacturing organizations, the operations function tends to adopt a passive role in strategic planning, relying on the functional areas of marketing and finance to establish the strategic direction of the organization.

True False

15. Vertical integration refers to the ownership of a major part or the whole of the supply chain.

True False

16. Matching a competitor on quality or price is usually sufficient to gain market share.

True False

17. Time-based competition focuses on reducing the time required to accomplish certain activities, such as new product development or delivery to the customer.

True False

18. The challenges of developing an operations strategy decrease as the variety of products and the rate of new product introduction increase.

True False

19. An outsourcing strategy involves selling off portions of an organization's traditional operations as a source of financing diversification into new areas of business.

True False

20. Productivity is defined as the ratio of output to input.

True False

21. Productivity is defined as the ratio of input to output.

True False

22. Labour productivity is one example of a multi-factor productivity measurement.

True False

23. Tracking productivity measures over time enables managers to judge organizational performance and decide where improvements are needed.

True False

24. Productivity is directly related to competitiveness.

True False

25. Even though labour cost as a proportion of total cost has been decreasing in manufacturing companies, labour productivity is still the main measure being used to gauge the performance of individuals and plants.

True False

26. Productivity is only indirectly related to competitiveness.

True False

27. Service productivity is easier to measure than manufacturing productivity because it is more labour intensive.

True False

28. Workers are the main determinant of productivity.

True False

29. Computer automation will always result in increased productivity.

True False

30. Variability of the output of services makes it more difficult to measure service productivity.

True False

31. Product variety and convenience of location are examples of:

- A. generic operations strategies
- B. operations infrastructure
- C. process types
- D. dimensions of flexibility
- E. key purchase criteria

32. Which of the following is not one of the competitive priorities organizations emphasize as the basis of competing with one-another?

- A. cost
- B. quality
- C. product duplication
- D. variety
- E. delivery

33. Which of the following is not a key purchase criteria?

- A. price
- B. variety
- C. location
- D. after-sale customer service
- E. vendor relations

34. Characteristics that customers perceive as minimum standards of acceptability are called:
- A. Order winners
 - B. Order qualifiers
 - C. Core competencies
 - D. Distinctive competencies
 - E. Minimum attributes
35. Which of the following is not a statement associated with statements of an organizations' mission or vision?
- A. Shared perception of the future
 - B. Clear and simple language
 - C. Tactical means to achieve strategy
 - D. Where the organization is now
36. The impact of strategies on the general direction and basic character of a company is:
- A. long-term
 - B. medium-term
 - C. short-term
 - D. temporal
 - E. none
37. The shared beliefs of an organizations' stakeholders are its:
- A. policies
 - B. vision
 - C. strategy
 - D. mission
 - E. values

38. Which of the following is true?

- A. Corporate strategy dictates organizational values.
- B. Corporate mission is shaped by corporate strategy.
- C. Functional strategies are shaped by corporate strategy.
- D. External conditions are shaped by corporate mission.
- E. Corporate mission is shaped by functional strategies.

39. Of the following, which aspect of strategic planning involves medium or short-term projects to accomplish specific objectives?

- A. organizational strategies
- B. functional strategies
- C. policies and action plans
- D. forecasts
- E. mission/vision statements

40. Which of the following are major decision-making categories for operations policies and action plans?

- I. Facility
- II. Capacity
- III. Process types
- IV. Human Resources

- A. I and II only
- B. I, II and III only
- C. III and IV only
- D. II, III and IV only
- E. I, II, III and IV

41. Which of the following are steps for formulating an operations strategy?

- I. Link the organizational goals to the operations strategy
- II. Define the mission and values of the organization.
- III. Conduct an audit to determine the strengths/weaknesses of the current operations strategy
- IV. Assess the degree of focus at each plant.

- A. I and II only
- B. I, II and III only
- C. I, III and IV only
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42. The generic operations strategy that emphasizes capital-intensive methods to achieve higher labour productivity and lower unit costs is referred to as _____.

- A. Low labour cost strategy
- B. Scale-based strategy
- C. Focused factories strategy
- D. Outsourcing
- E. Flexible factories strategy

43. The practice of buying a part of a good/service or a segment of production/service processes from another company is a tactic associated with what generic operations strategy?

- A. Low labour cost strategy
- B. Scale-based strategy
- C. Focused factories strategy
- D. Outsourcing
- E. Flexible factories strategy

44. Time-Based strategies do not include which of the following:
- A. focus on the time to deliver a product
 - B. focus on maintaining quality
 - C. focus on planning time
 - D. focus on production design time
 - E. focus on changeover time
45. Productivity is expressed as:
- A. output plus input
 - B. output minus input
 - C. output times input
 - D. output divided by input
 - E. input divided by output
46. A measure of productivity which reflects a combination of some or all of the resources used to obtain a certain output is:
- A. labour productivity
 - B. machine productivity
 - C. multi-factor productivity
 - D. materials productivity
 - E. overhead productivity
47. Canvalves Company produces cast bronze valves on an assembly line. It currently produces 800 valves each 8-hour shift. If the production is increased to 1,200 valves each shift, the productivity increases by:
- A. 50%
 - B. 33%
 - C. 25%
 - D. 67%
 - E. none of the choices are correct

48. In an assembly operation at a furniture factory, six employees assembled an average of 450 standard dining chairs per 5-day week. What is the labour productivity of this operation?

- A. 90 chairs/worker/day
- B. 20 chairs/worker/day
- C. 15 chairs/worker/day
- D. 75 chairs/worker/day
- E. none of the choices are correct

49. The manager of a carpet store is trying to determine the best installation crew size. He has tried various crew sizes with the results shown below. Based on productivity, what crew size do you recommend?

<u>Crew Size</u>	<u>Yards Installed</u>
2	716
4	1298
3	1017
3	1002
4	1278
2	702

- A. 2
- B. 3
- C. 4

50. The weekly output of a fabrication process is shown below together with data for labour and material inputs. Standard selling price is \$125 per unit. Overhead is charged weekly at the rate of \$1,500 plus .5 times direct labour cost. Assume a 40-hour week and an hourly wage of \$16. Material cost is \$10 per linear foot. What is the average multifactor productivity?

<u>Week</u>	<u>Output</u>	<u># Workers</u>	<u>Material (feet)</u>
1	392	5	2720
2	408	6	2790

- A. 1.463
- B. 1.457
- C. 1.431
- D. none of the choices are correct

51. Which of the following are not true of productivity measures?
- A. Labour productivity is mainly used for manufacturing and not used for services.
 - B. Productivity measures can track performance over time.
 - C. Labour productivity is used in labour wage negotiations.
 - D. Productivity measures can be used to measure the performance of an organization or an entire country.
 - E. All of the choices are true.
52. Which of the following is not a factor that affects productivity?
- A. use of computers in an office
 - B. design of the workspace
 - C. use of Internet and e-mail
 - D. standardizing work process
 - E. analysis of competitors
53. Which of these factors affects productivity?
- A. methods and management
 - B. capital equipment
 - C. technology
 - D. labour
 - E. all of the choices are true
54. Which of the following is not a general factor that affects productivity?
- A. methods and management
 - B. capital equipment
 - C. buildings
 - D. labour
 - E. technology

55. A company has introduced a process improvement that reduces processing time for each unit, so that output is increased by 25% with less material, but one additional worker required. Under the old process, five workers could produce 60 units per hour. Labour costs are \$12/hour, and material input was previously \$16/unit. For the new process, material is now \$10/unit. Overhead is charged at 1.6 times direct labour cost. Finished units sell for \$31 each. What increase in productivity is associated with the process improvement?

56. The manager of a carpet store is trying to determine optimal installation crew size. He has tried various crew sizes with the results shown below. Compute the average labour productivity for each crew size. Which crew size do you recommend?

Crew Size	Yards Installed
2	706
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3	1002
4	1288
2	692

57. The weekly output of a production process is shown below, together with data for labour and material inputs. The standard inventory value of the output is \$125 per unit. Overhead is charged weekly at the rate of \$1500 plus .5 times direct labour cost. Assume a 40-hour week and an hourly wage of \$16. Material cost is \$10 per running foot. Compute the average multifactor productivity for this process.

Week	Output	# Workers	Material (ft.)
1	412	6	2840
2	364	5	2550
3	392	5	2720
4	408	6	2790

Chapter 02 Competitiveness, Strategy, and Productivity **Key**

1. The variety of models and options available to customers is an example of a key purchase criteria that establishes the basis of competition.

TRUE

Difficulty: Easy

Learning Objective: 1

Stevenson - Chapter 02 #1

2. A characteristic that was once an order winner may become an order qualifier, and vice versa.

TRUE

Difficulty: Medium

Learning Objective: 1

Stevenson - Chapter 02 #2

3. Order qualifiers are those characteristics of an organization's goods or services that cause them to be perceived as better than the competition.

FALSE

Difficulty: Medium

Learning Objective: 1

Stevenson - Chapter 02 #3

4. The purchase criteria of quality and timeliness of delivery are order winners for all companies.

FALSE

Difficulty: Hard

Learning Objective: 1

Stevenson - Chapter 02 #4

5. It is important that an organization have a clear and simple mission statement.

TRUE

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #5

6. A mission statement should provide a guide for the formulation of strategies for the organization.

TRUE

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #6

7. If you think of goals as destinations, then tactics are the roadmaps for reaching the destinations.

FALSE

Difficulty: Hard

Learning Objective: 1

Stevenson - Chapter 02 #7

8. Strategic planning includes both determining long-term plans and implementing them through allocation of resources and action plans.

TRUE

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #8

9. Organizational strategy must be determined without regard to the realities of functional area strengths and weaknesses.

FALSE

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #9

10. Tactics are short-term projects to accomplish a specific objective, assigned to an individual, with a deadline and the resources needed identified.

FALSE

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #10

11. The hierarchy of planning and decision-making is: mission/vision, goals, strategy, tactics, and action plans.

TRUE

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #11

12. The creation of operations strategy occurs at both the company and the functional level.

TRUE

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #12

13. Formulating an operations strategy requires focusing solely on the operations function, leaving the concerns of other functions and the status of external markets to broader organizational strategic planning.

FALSE

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #13

14. In large manufacturing organizations, the operations function tends to adopt a passive role in strategic planning, relying on the functional areas of marketing and finance to establish the strategic direction of the organization.

FALSE

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #14

15. Vertical integration refers to the ownership of a major part or the whole of the supply chain.

TRUE

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #15

16. Matching a competitor on quality or price is usually sufficient to gain market share.

FALSE

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #16

17. Time-based competition focuses on reducing the time required to accomplish certain activities, such as new product development or delivery to the customer.

TRUE

Difficulty: Medium

18. The challenges of developing an operations strategy decrease as the variety of products and the rate of new product introduction increase.

FALSE

19. An outsourcing strategy involves selling off portions of an organization's traditional operations as a source of financing diversification into new areas of business.

FALSE

20. Productivity is defined as the ratio of output to input.

TRUE

21. Productivity is defined as the ratio of input to output.

FALSE

22. Labour productivity is one example of a multi-factor productivity measurement.

FALSE

23. Tracking productivity measures over time enables managers to judge organizational performance and decide where improvements are needed.

TRUE

24. Productivity is directly related to competitiveness.

TRUE

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #24

25. Even though labour cost as a proportion of total cost has been decreasing in manufacturing companies, labour productivity is still the main measure being used to gauge the performance of individuals and plants.

TRUE

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #25

26. Productivity is only indirectly related to competitiveness.

FALSE

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #26

27. Service productivity is easier to measure than manufacturing productivity because it is more labour intensive.

FALSE

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #27

28. Workers are the main determinant of productivity.

FALSE

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #28

29. Computer automation will always result in increased productivity.

FALSE

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #29

30. Variability of the output of services makes it more difficult to measure service productivity.

TRUE

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #30

31. Product variety and convenience of location are examples of:

- A. generic operations strategies
- B. operations infrastructure
- C. process types
- D. dimensions of flexibility
- E.** key purchase criteria

Difficulty: Medium

Learning Objective: 1

Stevenson - Chapter 02 #31

32. Which of the following is not one of the competitive priorities organizations emphasize as the basis of competing with one-another?

- A. cost
- B. quality
- C.** product duplication
- D. variety
- E. delivery

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #32

33. Which of the following is not a key purchase criteria?

- A. price
- B. variety
- C. location
- D. after-sale customer service
- E.** vendor relations

Difficulty: Easy

Learning Objective: 1

Stevenson - Chapter 02 #33

34. Characteristics that customers perceive as minimum standards of acceptability are called:

- A. Order winners
- B. Order qualifiers**
- C. Core competencies
- D. Distinctive competencies
- E. Minimum attributes

Difficulty: Easy

Learning Objective: 1

Stevenson - Chapter 02 #34

35. Which of the following is not a statement associated with statements of an organizations' mission or vision?

- A. Shared perception of the future
- B. Clear and simple language
- C. Tactical means to achieve strategy**
- D. Where the organization is now

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #35

36. The impact of strategies on the general direction and basic character of a company is:

- A. long-term**
- B. medium-term
- C. short-term
- D. temporal
- E. none

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #36

37. The shared beliefs of an organizations' stakeholders are its:

- A. policies
- B. vision
- C. strategy
- D. mission
- E.** values

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #37

38. Which of the following is true?

- A. Corporate strategy dictates organizational values.
- B. Corporate mission is shaped by corporate strategy.
- C.** Functional strategies are shaped by corporate strategy.
- D. External conditions are shaped by corporate mission.
- E. Corporate mission is shaped by functional strategies.

Difficulty: Hard

Learning Objective: 2

Stevenson - Chapter 02 #38

39. Of the following, which aspect of strategic planning involves medium or short-term projects to accomplish specific objectives?

- A. organizational strategies
- B. functional strategies
- C.** policies and action plans
- D. forecasts
- E. mission/vision statements

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #39

40. Which of the following are major decision-making categories for operations policies and action plans?

- I. Facility
- II. Capacity
- III. Process types
- IV. Human Resources

- A. I and II only
- B. I, II and III only
- C. III and IV only
- D. II, III and IV only
- E.** I, II, III and IV

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #40

41. Which of the following are steps for formulating an operations strategy?

- I. Link the organizational goals to the operations strategy
- II. Define the mission and values of the organization.
- III. Conduct an audit to determine the strengths/weaknesses of the current operations strategy
- IV. Assess the degree of focus at each plant.

- A. I and II only
- B. I, II and III only
- C.** I, III and IV only
- D. II, III and IV only
- E. I, II, III and IV

Difficulty: Hard

Learning Objective: 2

Stevenson - Chapter 02 #41

42. The generic operations strategy that emphasizes capital-intensive methods to achieve higher labour productivity and lower unit costs is referred to as _____.

- A. Low labour cost strategy
- B. Scale-based strategy**
- C. Focused factories strategy
- D. Outsourcing
- E. Flexible factories strategy

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #42

43. The practice of buying a part of a good/service or a segment of production/service processes from another company is a tactic associated with what generic operations strategy?

- A. Low labour cost strategy
- B. Scale-based strategy
- C. Focused factories strategy
- D. Outsourcing**
- E. Flexible factories strategy

Difficulty: Medium

Learning Objective: 2

Stevenson - Chapter 02 #43

44. Time-Based strategies do not include which of the following:

- A. focus on the time to deliver a product
- B. focus on maintaining quality**
- C. focus on planning time
- D. focus on production design time
- E. focus on changeover time

Difficulty: Easy

Learning Objective: 2

Stevenson - Chapter 02 #44

45. Productivity is expressed as:

- A. output plus input
- B. output minus input
- C. output times input
- D.** output divided by input
- E. input divided by output

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #45

46. A measure of productivity which reflects a combination of some or all of the resources used to obtain a certain output is:

- A. labour productivity
- B. machine productivity
- C.** multi-factor productivity
- D. materials productivity
- E. overhead productivity

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #46

47. Canvalves Company produces cast bronze valves on an assembly line. It currently produces 800 valves each 8-hour shift. If the production is increased to 1,200 valves each shift, the productivity increases by:

- A.** 50%
- B. 33%
- C. 25%
- D. 67%
- E. none of the choices are correct

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #47

48. In an assembly operation at a furniture factory, six employees assembled an average of 450 standard dining chairs per 5-day week. What is the labour productivity of this operation?
- A. 90 chairs/worker/day
 - B. 20 chairs/worker/day
 - C. 15 chairs/worker/day**
 - D. 75 chairs/worker/day
 - E. none of the choices are correct

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #48

49. The manager of a carpet store is trying to determine the best installation crew size. He has tried various crew sizes with the results shown below. Based on productivity, what crew size do you recommend?

<u>Crew Size</u>	<u>Yards Installed</u>
2	716
4	1298
3	1017
3	1002
4	1278
2	702

- A. 2**
- B. 3
- C. 4

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #49

50. The weekly output of a fabrication process is shown below together with data for labour and material inputs. Standard selling price is \$125 per unit. Overhead is charged weekly at the rate of \$1,500 plus .5 times direct labour cost. Assume a 40-hour week and an hourly wage of \$16. Material cost is \$10 per linear foot. What is the average multifactor productivity?

Week	Output	# Workers	Material (feet)
1	392	5	2720
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- A. 1.463
- B. 1.457**
- C. 1.431
- D. none of the choices are correct

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #50

51. Which of the following are not true of productivity measures?

- A. Labour productivity is mainly used for manufacturing and not used for services.**
- B. Productivity measures can track performance over time.
- C. Labour productivity is used in labour wage negotiations.
- D. Productivity measures can be used to measure the performance of an organization or an entire country.
- E. All of the choices are true.

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #51

52. Which of the following is not a factor that affects productivity?

- A. use of computers in an office
- B. design of the workspace
- C. use of Internet and e-mail
- D. standardizing work process
- E. analysis of competitors**

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #52

53. Which of these factors affects productivity?

- A. methods and management
- B. capital equipment
- C. technology
- D. labour
- E. all of the choices are true**

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #53

54. Which of the following is not a general factor that affects productivity?

- A. methods and management
- B. capital equipment**
- C. buildings
- D. labour
- E. technology

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #54

55. A company has introduced a process improvement that reduces processing time for each unit, so that output is increased by 25% with less material, but one additional worker required. Under the old process, five workers could produce 60 units per hour. Labour costs are \$12/hour, and material input was previously \$16/unit. For the new process, material is now \$10/unit. Overhead is charged at 1.6 times direct labour cost. Finished units sell for \$31 each. What increase in productivity is associated with the process improvement?

$$\begin{aligned}\text{Before : } & \frac{60(31)}{5(12) + 60(16) + 1.6(5)(12)} = \frac{1,860/\text{hr}}{1,116/\text{hr}} = 1.667 \\ \text{After : } & \frac{60(1.25)(31)}{6(12) + 75(10) + 1.6(6)(12)} = \frac{2,325/\text{hr}}{937.2/\text{hr}} = 2.481 \\ \text{Productivity increase} &= \frac{(2.481 - 1.667) \times 100}{1.667} = 48.83\%\end{aligned}$$

Difficulty: Hard

Learning Objective: 3

Stevenson - Chapter 02 #55

56. The manager of a carpet store is trying to determine optimal installation crew size. He has tried various crew sizes with the results shown below. Compute the average labour productivity for each crew size. Which crew size do you recommend?

Crew Size	Yards Installed
2	706
4	1308
3	1017
3	1002
4	1288
2	692

Crew Size	Yards Installed	Labour Productivity
2	706	353 yards/worker
4	1,308	327 yards/worker
3	1,017	339 yards/worker
3	1,002	334 yards/worker
4	1,288	322 yards/worker
2	692	346 yards/worker
Crew Size	Avg. Labour Productivity	
2	$(353 + 346)/2 = 349.5$ yards/worker	
3	$(339 + 334)/2 = 336.5$ yards/worker	
4	$(327 + 322)/2 = 324.5$ yards/worker	

Recommend optimal crew size = 2

Difficulty: Easy

Learning Objective: 3

Stevenson - Chapter 02 #56

57. The weekly output of a production process is shown below, together with data for labour and material inputs. The standard inventory value of the output is \$125 per unit. Overhead is charged weekly at the rate of \$1500 plus .5 times direct labour cost. Assume a 40-hour week and an hourly wage of \$16. Material cost is \$10 per running foot. Compute the average multifactor productivity for this process.

Week	Output	# Workers	Material (ft.)
1	412	6	2840
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3	392	5	2720
4	408	6	2790

$$\begin{aligned} \text{Wk 1: } & \frac{412(125)}{6(40)(16) + 2,840(10) + .5(6)(40)(16) + 1,500} = \frac{51,500}{35,660} = 1.444 \\ \text{Wk 2: } & \frac{365(125)}{5(40)(16) + 2,550(10) + .5(5)(40)(16) + 1,500} = \frac{45,500}{31,800} = 1.431 \\ \text{Wk 3: } & \frac{392(125)}{5(40)(16) + 2,720(10) + .5(5)(40)(16) + 1,500} = \frac{49,000}{33,500} = 1.463 \\ \text{Wk 4: } & \frac{408(125)}{6(40)(16) + 2,790(10) + .5(6)(40)(16) + 1,500} = \frac{51,000}{35,160} = 1.451 \\ \text{Avg.} & = (1.444 + 1.431 + 1.463 + 1.451)/4 = 5.789/4 = 1.447 \end{aligned}$$

Difficulty: Medium

Learning Objective: 3

Stevenson - Chapter 02 #57

Chapter 02 Competitiveness, Strategy, and Productivity **Summary**

<u>Category</u>	<u># of Questions</u>
Difficulty: Easy	25
Difficulty: Hard	5
Difficulty: Medium	27
Learning Objective: 1	8
Learning Objective: 2	25
Learning Objective: 3	24
Stevenson - Chapter 02	57