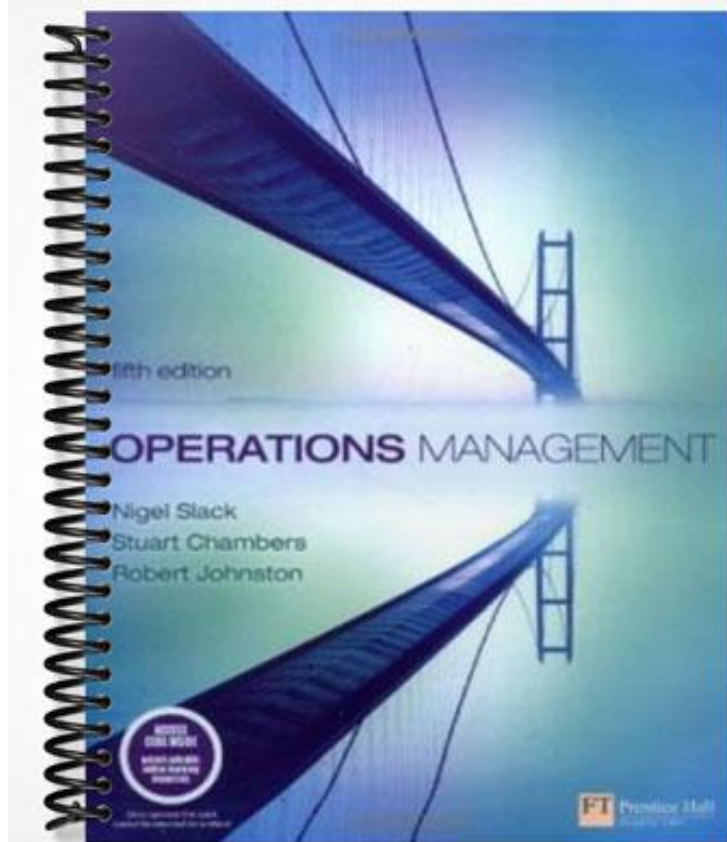


# TEST BANK



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

- 1) One of the five basic performance objectives is speed. Speed has a number of effects on the internal operation. It: 1) \_\_\_\_\_  
A) Reduces inventories and reduces risk  
B) Increases inventories and reduces risk  
C) Increases inventories and increases risk  
D) Reduces inventories and increases risk
- 2) An operation that relies on repeat business will seek to primarily focus on which of the performance objectives? 2) \_\_\_\_\_  
A) Dependability  
B) Flexibility  
C) Quality  
D) Speed
- 3) According to the Hayes and Wheelwright model, the increasing strategic contributions of operations are: 3) \_\_\_\_\_  
A) Externally neutral / internally neutral / externally supportive / internally supportive  
B) Defensive / contributive / supportive / manipulative  
C) Internally neutral / externally neutral / internally supportive / externally supportive  
D) Inwardly defensive / outwardly defensive / inwardly contributive / outwardly contributive  
E) Internally non-contributive / externally non-contributive / internally strategic / externally strategic
- 4) Slack defines the Five Performance Objectives for Operations as: 4) \_\_\_\_\_  
A) Quality / speed / dependability / flexibility / cost  
B) Transformation / quality / speed / dependability / flexibility  
C) Quality / speed / dependability / accessibility / cost  
D) Improvement / quality / flexibility / reliability / cost  
E) Cost / throughput / flexibility / cost / speed
- 5) Slack describes operations as potentially having three strategic roles within an organisation. Which one is correct? 5) \_\_\_\_\_  
A) Implementer / supplicant / follower  
B) Follower / supporter / driver  
C) Implementer / supporter / driver  
D) Follower / supporter / facilitator  
E) Decider / implementer / recipient
- 6) The major stakeholders of the organisation, who must be satisfied by the operations function are: 6) \_\_\_\_\_  
A) Shareholders and society at large  
B) Customers and suppliers  
C) The company's employees  
D) All of the above
- 7) Flexibility is a difficult performance objective to deal with because: 7) \_\_\_\_\_  
A) It just is  
B) It is difficult to define

- C) Flexibility means changing things and that is always difficult
- D) None of the above

- 8) There are five basic performance objectives, which apply to all types of operation. They are: 8) \_\_\_\_\_
- A) Quality, speed, error-free, flexibility, price
  - B) Quality, speed, dependability, flexibility, price
  - C) Quality, speed, adaptability, flexibility, cost
  - D) Quality, speed, dependability, flexibility, cost
- 9) A company which specialises in high variety and the frequent introduction of new products/services would seek to primarily focus on which of the performance objectives? 9) \_\_\_\_\_
- A) Quality
  - B) Cost
  - C) Speed
  - D) Flexibility
- 10) Quality means different things to different operations. Please match the most appropriate organisation to this standard: Customers are consulted and kept informed. 10) \_\_\_\_\_
- A) Supermarket
  - B) Automobile plant
  - C) Bus company
  - D) Hospital
- 11) Quality means different things to different operations. Please match the most appropriate organisation to this standard: The product is reliable. 11) \_\_\_\_\_
- A) Automobile plant
  - B) Bus company
  - C) Hospital
  - D) Supermarket
- 12) Quality means different things to different operations. Please match the most appropriate organisation to this standard: The timetable is accurate. 12) \_\_\_\_\_
- A) Bus company
  - B) Hospital
  - C) Supermarket
  - D) Automobile plant
- 13) Which operation least needs staff who are courteous, friendly and helpful? 13) \_\_\_\_\_
- A) Automobile plant
  - B) Supermarket
  - C) Bus company
  - D) Hospital
- 14) Whether for a hospital, automobile plant, bus company or supermarket, speed could mean keeping to a minimum the time between customers requesting a service or product and their receiving it. 14) \_\_\_\_\_
- A) True
  - B) False
- 15) Dependability means different things to different operations. Please match the most appropriate organisation to this standard: Predictability of opening hours. 15) \_\_\_\_\_
- A) Automobile Plant
  - B) Bus company
  - C) Hospital
  - D) Supermarket
- 16) Dependability means different things to different operations. Please match the most appropriate organisation to this standard: Keeping to the published timetable. 16) \_\_\_\_\_

- A) Supermarket
- C) Automobile Plant
- B) Hospital
- D) Bus company

17) Dependability means different things to different operations. Please match the most appropriate organisation to this standard: Test results returned on schedule. 17) \_\_\_\_\_

- A) Bus company
- C) Automobile Plant
- B) Supermarket
- D) Hospital

18) Dependability means different things to different operations. Please match the most appropriate organisation to this standard: Delivering vehicles to dealers on time. 18) \_\_\_\_\_

- A) Supermarket
- C) Bus company
- B) Automobile Plant
- D) Hospital

19) All operations aim to be completely flexible in responding to customer demand. 19) \_\_\_\_\_

- A) True
- B) False

20) Which stakeholder group is likely to best match this broad strategic objective: Increase employment, produce sustainable products and ensure clean environment. 20) \_\_\_\_\_

- A) Society
- B) Employees
- C) Suppliers
- D) Customers
- E) Shareholders

21) Which stakeholder group is likely to best match this broad strategic objective: Economic value from investment and ethical value from investment. 21) \_\_\_\_\_

- A) Shareholders
- B) Suppliers
- C) Society
- D) Customers
- E) Employees

22) Which stakeholder group is likely to best match this broad strategic objective: Good working conditions and personal development. 22) \_\_\_\_\_

- A) Society
- B) Shareholders
- C) Employees
- D) Suppliers
- E) Customers

23) Which stakeholder group is likely to best match this broad strategic objective: Continue business and provide transparent information. 23) \_\_\_\_\_

- A) Customers
- B) Employees
- C) Suppliers
- D) Shareholders
- E) Society

- 24) Which stakeholder group is likely to best match this broad strategic objective: Consistent quality and flexibility. 24) \_\_\_\_\_  
 A) Employees  
 B) Shareholders  
 C) Customers  
 D) Society  
 E) Suppliers
- 25) For a bus company, quality operations do not include: 25) \_\_\_\_\_  
 A) Quiet and fume-free buses  
 B) Clean and tidy buses  
 C) Accurate and user-friendly timetable  
 D) Higher prices than rival transport services
- 26) Speed reduces risks. 26) \_\_\_\_\_  
 A) True  
 B) False
- 27) The way in which market requirements and operations capabilities are reconciled relates to: 27) \_\_\_\_\_  
 A) Long-term Forecasting  
 B) Operations Strategy  
 C) Market Integration  
 D) Operations Management
- 28) What name is given to the people and groups of people who have an interest in the operation and who may influence its activities? 28) \_\_\_\_\_  
 A) Stakeholders  
 B) Key customers  
 C) Key account  
 D) Partners
- 29) The idea that improvement in one aspect of operations performance comes at the expense of deterioration in another aspect of performance is called: 29) \_\_\_\_\_  
 A) Limited resource theory  
 B) Theory of constraints  
 C) Trade-off theory  
 D) Theory of the firm
- 30) What is the perspective on strategy that stresses the importance of capabilities in determining sustainable competitive advantage? 30) \_\_\_\_\_  
 A) Resource Based View  
 B) Disconfirmation Theory  
 C) System Theory  
 D) Agency Theory
- 31) What name is given to factors such as delivery time, product or service specification, and price, which define customers' requirements? 31) \_\_\_\_\_  
 A) Competitive factors  
 B) Customer factors  
 C) Direct factors  
 D) Demand factors
- 32) What term is used to describe the extra costs that are incurred in running an operation as it gets larger? 32) \_\_\_\_\_  
 A) Downshifting  
 B) Critical point index  
 C) Diseconomies of scale  
 D) Negative returns on investment
- 33) The use of Internet-based technologies either to support existing business

processes or to create entirely new business opportunities is called:

- A) e-commerce
- B) e-business
- C) e-procurement
- D) e-reverse auctions

34) A strategy that is gradually shaped over time and based on experience rather than theoretical positioning is called: 34) \_\_\_\_\_

- A) Consensual strategy
- B) Transcendental strategy
- C) Implicit strategy
- D) Emergent strategy

35) What name is given to the model devised by Hayes and Wheelwright that categorizes the degree to which operations has a positive influence on overall strategy? 35) \_\_\_\_\_

- A) Three-stage model of operations contribution
- B) Four-stage model of operations contribution
- C) Two-stage model of operations contribution
- D) Five-stage model of operations contribution

36) The overall direction and role of a function within a business is: 36) \_\_\_\_\_

- A) A functional strategy
- B) A group strategy
- C) An operational strategy
- D) A business strategy

37) From focused to general, which of the following strategy orders is correct? 37) \_\_\_\_\_

- A) Operational, business, global
- B) Business, corporate, global
- C) Business, functional, corporate
- D) Functional, business, corporate

38) The idea that all operations processes are made up of smaller operations processes is called: 38) \_\_\_\_\_

- A) Micro operations
- B) Composite operations
- C) Coupled operations
- D) Hierarchy of operations

39) What is the name of a type of relationship in supply chains that encourage relatively enduring cooperative agreements for joint accomplishment of business goals? 39) \_\_\_\_\_

- A) Focused supply
- B) Partnerships
- C) Market-driven supply
- D) Goal oriented agreements

40) What influence is occurring when corporate or business strategies impact on operations decisions? 40) \_\_\_\_\_

- A) Hierarchical
- B) Bottom up
- C) Leadership
- D) Top down

- 41) What is the name of the model that describes operations in terms of their input resources, transforming processes and outputs of goods and services? 41) \_\_\_\_\_
- A) Five forces model
  - B) Slack operations model
  - C) Operational process model
  - D) Transformation process model
- 42) Which of the following roles must operations take on in relation to business strategy? 42) \_\_\_\_\_
- A) Supported
  - B) Driver
  - C) Implementer
  - D) All of the above
- 43) Stage 4 of Hayes and Wheelwright's model of operations contribution is internally supportive. 43) \_\_\_\_\_
- A) True
  - B) False
- 44) An internally supportive operations function will: 44) \_\_\_\_\_
- A) Stop holding the organisation back
  - B) Redefine the industry's expectations
  - C) Be as good as competitors
  - D) Be clearly the best in the industry
- 45) Externally neutral operations: 45) \_\_\_\_\_
- A) Correct the worst problems
  - B) Adopt best practice
  - C) Link strategy with operations
  - D) Give an operations advantage
- 46) Internally neutral organisations: 46) \_\_\_\_\_
- A) Give an operations advantage
  - B) Correct the worst problems
  - C) Adopt best practice
  - D) Link strategy with operations
- 47) Which of the following is NOT an example of an internal stakeholder? 47) \_\_\_\_\_
- A) Directors
  - B) Suppliers to the organisation
  - C) Employees
  - D) Managers
- 48) In some cases a 'shareholder' may also be the main customer. 48) \_\_\_\_\_
- A) True
  - B) False
- 49) Which of the following is least likely to be an issue for employee stakeholders? 49) \_\_\_\_\_
- A) Fair pay
  - B) Economic value from investment
  - C) Good working conditions
  - D) All of the above
- 50) For a hospital, which of the following does NOT relate to the quality objective? 50) \_\_\_\_\_

- A) Staff being courteous and friendly.
- B) Treatment being carried out in the correct manner.
- C) Patients being consulted and kept informed.
- D) Patients being dealt with in less than two hours in A&E.

- 51) For a bus company, which of the following relates to the quality objective? 51) \_\_\_\_\_
- A) The company gets you from A to B more quickly than its rivals.
  - B) The fares are reasonable.
  - C) The timetable is accurate and user friendly.
  - D) Buses arrive on time.
- 52) For a supermarket, which of the following does NOT relate to the quality objective? 52) \_\_\_\_\_
- A) Store is clean and tidy.
  - B) Staff are friendly and helpful.
  - C) Shelves are never empty of stock.
  - D) All of the above relate to the quality objective.
- 53) Which of the following relies most on the speed objective? 53) \_\_\_\_\_
- A) A doctor on call
  - B) An Accident & Emergency Unit
  - C) An operating theatre
  - D) An ambulance
- 54) Which of the following is seen as an internal benefit of emphasis on the speed objective? 54) \_\_\_\_\_
- A) The reduction of complexity
  - B) The increase in quality
  - C) The increase in product flexibility
  - D) The reduction in inventory
- 55) Which of the following is NOT true of the speed objective? 55) \_\_\_\_\_
- A) It can lower working capital.
  - B) It can increase risk.
  - C) It can help reduce inventory.
- 56) Doing things in time for customers to receive their goods and services exactly when they are needed, or at least when they are promised, is a measure of: 56) \_\_\_\_\_
- A) Flexibility
  - B) Speed
  - C) Dependability
  - D) Quality
- 57) The effect of dependability inside an operation is quite different from the effect it has on the end customer. 57) \_\_\_\_\_
- A) True
  - B) False
- 58) Which of the following is a result of increasing dependability? 58) \_\_\_\_\_
- A) It gives stability
  - B) It saves time
  - C) It save money
  - D) All of the above
- 59) The operations ability to change its level of output or activity to produce different



quantities 59)  
services or  
volumes  
of  
product  
and  
service  
over  
time is  
called:

—  
—

- A) Volume flexibility
- B) Product/Service flexibility
- C) Delivery flexibility
- D) Mix flexibility

60) The operations ability to introduce new or modified products is called: 60) \_\_\_\_\_

- A) Mix flexibility
- B) Volume flexibility
- C) Product/Service flexibility
- D) Delivery flexibility

61) The operations ability to produce a wide range of products and services is called: 61) \_\_\_\_\_

- A) Product/Service flexibility
- B) Delivery flexibility
- C) Volume flexibility
- D) Mix flexibility

62) The operations ability to change timing of the delivery of its services or products is called: 62) \_\_\_\_\_

- A) Product/Service flexibility
- B) Delivery flexibility
- C) Volume flexibility
- D) Mix flexibility

- 1) A
- 2) A
- 3) C
- 4) A
- 5) C
- 6) D
- 7) B
- 8) D
- 9) D
- 10) D
- 11) A
- 12) A
- 13) A
- 14) A
- 15) D
- 16) D
- 17) D
- 18) B
- 19) B
- 20) A
- 21) A
- 22) C
- 23) C
- 24) C
- 25) D
- 26) A
- 27) B
- 28) A
- 29) C
- 30) A
- 31) A
- 32) C
- 33) B
- 34) D
- 35) B
- 36) A
- 37) D
- 38) D
- 39) B
- 40) D
- 41) D
- 42) D
- 43) B
- 44) D
- 45) B
- 46) B
- 47) B
- 48) A
- 49) B
- 50) D
- 51) C

- 52) C
- 53) D
- 54) D
- 55) B
- 56) C
- 57) B
- 58) D
- 59) A
- 60) C
- 61) D
- 62) B