


MGT613 MID TERM 16 PAPERS

Solved by

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Paper 1

MIDTERM EXAMINATION

Spring 2009

MGT613- Production / Operations Management (Session - 1)

Question No: 1 (Marks: 1) - Please choose one

Which ONE of the following statements correctly explains the role of operation's manager?

To coordinate the activities between marketing and finance department

To sustain, protect and project the company's long term strategies

To develop organizational strategy that reflects the operational strategy

To sustain, protect and project the company's operation/production side

. **(page 1)Whether profit or non profit, the role of an OPERATIONS MANAGER is to sustain, protect, and project the company's operations side.**

Question No: 2 (Marks: 1) - Please choose one

What would be the productivity if a machine produced 50 units in 3 hours?

0.066 units per hr

16.66 units per hr

6.766 units per hr

60.66 units per hr

50 /3 = 16.66

Question No: 3 (Marks: 1) - Please choose one

Operations manager is responsible for all of the following EXCEPT:

Forecasting

Capacity planning

Inventory management

Distributing organizations' goods

Operations Managers job responsibility includes but is not limited to☹ (page 3)

Ø Forecasting

Ø Capacity planning

Ø Scheduling

Inventory Management

Ø Quality Assurance and Control

Ø Motivating employees

Ø Deciding where to locate facilities

Question No: 4 (Marks: 1) - Please choose one

Which one of the following formulae can be used to compute value?

(Quality + Speed – Flexibility) / Cost

(Quality + Speed+ Flexibility) / Cost

(Quality + Speed - Cost) / Flexibility

(Quality + Speed+ Cost) / Flexibility

Question No: 5 (Marks: 1) - Please choose one

Which one the following formula or function can be used to measure the performance?

Flexibility + profit+ operations

Work + profit + value

Quality + speed + flexibility

Profit + Incentives + standards

Question No: 6 (Marks: 1) – Please choose one

Organizational strategies relate to which of the following sets of factors?

Survival, profitability, growth rate and market share

Profitability, survival, leads times and target market

Quality, operating resources, growth rate and market share

Scheduling, profitability, lead times and survival

(page 43)http://highered.mcgraw-hill.com/sites/dl/free/0072443901/21708/ste43901_ch02qxd.pdf

Question No: 7 (Marks: 1) - Please choose one

Which of the following statements corresponds to an order-winning characteristic?

A factor which may be significant in other parts of the organization

A factor which gives an organization a competitive edge

A factor which serves as a minimum standard for purchase

A factor which increases the profitability of the organization

(Handout page 15)order winners are the characteristics of an organization's services that cause it to be perceived as better than the competitors services

Order winners are the criteria that differentiate the products and services of the firm from others'. These are the characteristics of an organization's goods or services that cause it to be perceived as better than competitors' products

Question No: 8 (Marks: 1) - Please choose one

To make operations strategy effective it should be:

Independent of the organization's strategy

Consistent with the organization's strategy

Developed by a first line manager

Independent of time dimension

·Operations strategy – The approach, consistent with organization strategy that is used to guide the operations function page#14

Question No: 9 (Marks: 1) - Please choose one

Which one of the following correctly explains the elements of a good forecast?

Timely, having a purpose, accurate, written, reliable, meaningful

Timely, accurate, judgmental, correctness, verbal, simple to use

Timely, accurate, reliable, meaningful, written, simple to use

Timely, accurate, reliable, consistent, meaningful, written, simple to use

(Handout Page 34) •Timely, •Reliable, •Accuracy, Meaningful Forecast, Written/Documented, Simple to understand and use

Question No: 10 (Marks: 1) - Please choose one

Which one of the following correctly explains the qualitative forecasting technique?

It consists mainly of numerical descriptions and defies subjective inputs of managers.
It consists mainly of subjective inputs and defies particular numerical descriptions.
It consists mainly of subjective inputs and defies human factor, personal opinions.
It consists mainly of analyzing objective and hard data and defies human factor, opinion.

(page 34)Qualitative Techniques which use subjective inputs and no numerical data. It relies solely on soft information like human factors, personal opinion, hunches. Thus Qualitative Forecasts are often biased and tilted towards what the management wants to predict.

Question No: 11 (Marks: 1) - Please choose one

Which one of the following correctly explains the quantitative forecasting technique?

It consists mainly of numerical descriptions and resists subjective inputs of managers.

It consists mainly of subjective inputs and resists particular numerical descriptions.

It consists mainly of subjective inputs and resist human factor, personal opinions.

It consists mainly of analyzing objective and hard data and resist human factor, opinion.

http://www.referenceforbusiness.com/management/Ex-Gov/Forecasting.html

Question No: 12 (Marks: 1) - Please choose one

Which one of the following forecasting techniques uses explanatory variables to predict future demand?

Associative forecast

Time series forecast

Consumer survey

Executive opinion

(page 35)Associative models - uses explanatory variables to predict the future for example demand for a small car may be dependant upon increase in price of petrol or CNG. The analysis in this case would employ a mathematical model that would relate the predicted variable with the predictor variable or variables.

Question No: 13 (Marks: 1) - Please choose one

Given the table:

Alternatives Possible future demand

	Low (Rs.)	High (Rs.)
Small facility	10,000	8,000
Medium facility	12,000	20,000
Large facility	18,000	15,000

Which one of the following is the correct payoff under MAXIMAX approach?

Rs. 10,000

Rs. 18,000

Rs. 20,000

Rs. 32,000

(reference) Example

The maximax criterion (an optimistic approach):

1. **For each option, find the maximum payoff**
2. **Choose the option with the greatest maximum payoff**

Investment Choice (Alternatives)	**Profit in $1,000's (States of Nature)**		
	Strong Economy	**Stable Economy**	**Weak Economy**
Large factory	**200**	**50**	**-120**
Average factory	**90**	**120**	**-30**
Small factory	**40**	**30**	**20**
Maximum profit large factory	**200**		
Maximum profit			

average factory	**120**		
Maximum profit small factory	**40**		

Greatest maximum is to chosen large factory

Question No: 14 (Marks: 1) - Please choose one

Which one of the following is a limitation of a moving average having a trend?

The forecast lags behind the actual

The forecast represents demand more accurately

The forecast will not be accurate

The forecast will not be reliable

http://www.tradertech.com/fast_break.asp

However, traditional moving averages have one very serious deficiency. They are a 'lagging' technical indicator. This means that moving averages, due to their mathematical construction (averaging prices over a number of prior periods) tend to lag behind the current market price.

Question No: 15 (Marks: 1) - Please choose one

Which one of the following is an index used to measure actual output relative to design capacity?

Utilization

Efficiency

Effective capacity

Effectiveness

(Handout page 66) Efficiency and Utilization Example

Question No: 16 (Marks: 1) - Please choose one

Which one of the following mathematical expressions is used to compute utilization?

Actual output / effective capacity

Actual output / design capacity

Actual output + effective capacity

Actual output - design capacity

(Handout page 66) Efficiency and Utilization Example

Question No: 17 (Marks: 1) - Please choose one

Which one of the following stages of product life cycle relates to more predictable behavior in terms of capacity requirements?

Introduction

Growth

Maturity (not sure)

Decline

Question No: 18 (Marks: 1) - Please choose one

Which one of the following statement is TRUE about cost-volume relationship?

It represents the relationship between cost, revenue and volume of output.

It represents the relationship between cost and volume of output.

It represents the relationship between cost and revenue.

It represents the relationship between inputs, cost and volume of output.

(handout page 73)Cost Volume Relationship focuses on relationships between costs, revenue and volume of output

Question No: 19 (Marks: 1) - Please choose one

Which one of the following formulae can be used to compute break even point?

Q = VC / (R - VC)

Q = FC / (R - VC)

Q = VC / (R + FC)

Q = FC / (R + VC)

Question No: 20 (Marks: 1) - Please choose one

Which one of the following is a characteristic of continuous process?

High lead times

Short process times

The ability to handle high variety

The ability to handle high volumes

(Q#11)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144864.cw/index.html

Question No: 21 (Marks: 1) - Please choose one

Which of the following refers the way an organization chooses to produce its good or services?

Process selection

Process reengineering

Process redesign

Process design

(page 77). Process Selection refers to the way an organization chooses to produce its good or services

Question No: 22 (Marks: 1) - Please choose one

Which one of the following best describes the cellular layout?

It groups machines into departments according to their function.

It groups machines into small assembly lines that produce families of parts.

It allows production of larger lots by reducing set-up time.

It encourages the use of large, efficient machinery.

(Q#3)http://cwx.prenhall.com/bookbind/pubbooks/russell/chapter7/multiple1/deluxe-content.html
(page 83)Cellular Production
– Layout in which machines are grouped into a cell that can process items that have similar processing requirements.
Group Technology
- **– The grouping into part families of items with similar design or manufacturing characteristics.**

Question No: 23 (Marks: 1) - Please choose one

Which one of the following statements is NOT correct about cycle time?

It represents daily operating time divided by desired production

It is the maximum allowable time at each work station

It determines the time often items take to roll off in assembly line

It is the time required to complete a product from start to finish

(Question 2)http://www.cbpa.ewu.edu/~pnemetzmills/OMch5/pracanswers.html

Question No: 24 (Marks: 1) - Please choose one

Which of the following layout types is associated with a supermarket?

Fixed position layout

Process layout

Product layout

Cellular layout

(Q#2)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144918.cw/index.html

Question No: 25 (Marks: 1) - Please choose one

What would be the required cycle time for a process that operates 9 hours daily with a desired output of 300 units per day?

0.03 minutes

1.8 minutes

2700 minutes

291 minutes

Question No: 26 (Marks: 1) - Please choose one

Which one of the following defines the range of the smoothing constant (Alpha)?

2 and -2

1 and -1

0 and -1

0 and 1

(page 15-6)http://books.google.com.pk/books?id=MsQKG4Cu3xwC&pg=SA15-PA6&dq=range+of+the+smoothing+constant+%28Alpha%29?++++++0+and+1&hl=en&ei=19JzTeyyHY-64Qbhg6GDDQ&sa=X&oi=book_result&ct=result&resnum=3&ved=0CDAQ6AEwAg#v=onepage&q=smoothing%20constant%2C%20a%2C%20lies%20between%200%20and%201%2C&f=false

Question No: 27 (Marks: 1) - Please choose one

Which of the following takes into consideration the design of aesthetics of the product?

Functional design

Production design

Service design

Product design

(reference 1st (http://www.acrwebsite.org/volumes/display.asp?id=7824

Product design (i.e., industrial design) is perhaps most associated with aesthetic considerations (Bel Geddes 1934, pp. 222-241)

http://books.google.com.pk/books?id=CFlyglsIINYC&pg=PA40&dq=design+of+aesthetics+of+the+product&hl=en&ei=gdZzTaWSNM6O4gb8pc3JDQ&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDkQ6AEwAw#v=onepage&q=ROLE%20OF%20AESTHETICS%20IN%20PRODUCT%20DESIGN%20Considering%20the%20importance%20of%20aesthetics&f=false

Question No: 28 (Marks: 1) - Please choose one

Which one of the following refers to using some of the components of old products in the

manufacturing of new products?

Manufacturability

Remanufacturing

Robust design

Automation

(Handout page 51) Design for Remanufacturing: Using some of the components of the old products in the manufacture of new products.

Question No: 29 (Marks: 1) - Please choose one

Which one of the following mathematical expressions can be used to compute availability?

(MTBF)/ (MTBF+MTR)

(MTBF)/ (MTBF-MTR)

(MTR)/ (MTBF+MTR)

(MTR)/ (MTBF-MTR)

(page 63)Availability = (MTBF)/(MTBF + MTR)

Question No: 30 (Marks: 1) - Please choose one

Which one of the following is correct about the range of availability on a measuring index?

0.1 to 1.0

0 to 1.0

0.5 to 1.0

0.01 to 1.0

(page23)http://books.google.com/books?id=818wT_TGJgAC&pg=PA23&dq=range+of+availability+on+a+measuring+index&hl=en&ei=BcmMTbzCFdDirAfIprTQDQ&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDoQ6AEwAw#v=onepage&q&f=false

Question No: 31 (Marks: 1) - Please choose one

What would be the availability if a carpenter is expected to be able to operate for 300 hours between repairs, and the mean repair time is expected to be 2 hours?

6.02

2.0

0.99

0.006

we represent mean time between failures by MTBF and mean time to repair by MTR

Availability = (MTBF)/(MTBF + MTR)

= 300/ 300+2

= 0.99

Question No: 32 (Marks: 1) - Please choose one

Which one of the following operating levels is best with respect to capacity?

The maximum point of the cost curve

The level of capacity for which average unit cost is minimized

The level of capacity for which average unit cost is maximized

The level of capacity for which total cost is minimized

(page463)http://books.google.com.pk/books?id=kNRkTmMCXDsC&pg=PA463&lpg=PA463&dq=The+level+of+capacity+for+which+average+unit+cost+is+minimized&source=bl&ots=mpafxu7HT9&sig=_yoCzNASj3gkyoRU0465QpSnOMw&hl=en&ei=Q91zTeinKMbxrQegneXTAQ&sa=X&oi=book_result&ct=result&resnum=2&ved=0CB4Q6AEwAQ#v=onepage&q=The%20level%20of%20capacity%20for%20which%20average%20unit%20cost%20is%20minimized&f=false

Question No: 33 (Marks: 1) - Please choose one

Which one of the following is the goal of work sampling?

Individual human motions that are used in a job task

Determining the length of time it will take to undertake a particular task

Determining the amount of time a worker spends on various activities

Specifying the content and methods to perform a job

(page300)http://books.google.com.pk/books?id=B1DLXuts73cC&pg=PA300&dq=goal+of+work+sampling&hl=en&ei=Qd9zTf_zKMLKrAefmYjTCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CC8Q6AEwAA#v=onepage&q=goal%20of%20work%20sampling&f=false

Question No: 34 (Marks: 1) - Please choose one

The advantages of specialization to management include all of the following EXCEPT:

Rapid training of the workforce

Ease in recruiting new workers

Fewer turnovers

Less boredom for workers

(Q#5)http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html

Question No: 35 (Marks: 1) - Please choose one

The disadvantages of specialization to management include all of the following EXCEPT:

More absenteeism

Minimum responsibility

More difficult to teach the job

(Q#6)http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html

Question No: 36 (Marks: 1) - Please choose one

Which one of the following is NOT a business application of forecasting?

Budgeting

Capacity planning

Inventory management

Quality control

(page 31)·Forecasting in business forms the basis for budgeting and planning for capacity, sales, production, inventory, manpower, purchasing and more

Question No: 37 (Marks: 1) - Please choose one

Services differ from manufacturing in all the following ways EXCEPT:

Customers typically interact directly with the service delivery process.

Consumption and production take place simultaneously.

Services are intangible.

Services can be stored.

Question No: 38 (Marks: 1) - Please choose one

All of the following are examples of the transformation process EXCEPT:

Cutting

Packing

Facilitating

Labeling (not sure)

Question No: 39 (Marks: 1) - Please choose one

Which one of the following represents the series of a time forecast?

Averaging, cycle, seasonality, random variations

Trend, seasonality, exponential smoothing

Trend, cycle, seasonality, moving average

Trend, cycle, seasonality, random variations

(handout page 37) *T rend, S easonality,* C ycle, *I rregular variations, R andom variations*

http://books.google.com/books?id=8JM6wU_sBc0C&pg=PA144&dq=Which+one+of+the+following+represents+the+series+of+a+time+forecast?++++++++++++++Averaging,+cycle,+seasonality,+random+variations++++++++++++Trend,+seasonality,+exponential+smoothing++++++++++++Trend,+cycle,+seasonality,+moving+average++++++++++++Trend,+cycle,+seasonality,+random+variations&hl=en&ei=duRzTcu4DJGIrAfkloTSCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDYQ6AEwAw#v=onepage&q&f=false

Question No: 40 (Marks: 1) - Please choose one

Which of the following is a characteristic of linear regression?

It is superior to a moving average

It is a causal forecasting model

It compensates for both trend and seasonal variations in demand

It is superior to an exponential smoothing

(Q#5)http://cwx.prenhall.com/bookbind/pubbooks/russell/chapter10/multiple1/deluxe-content.html

Paper 2

MIDTERM EXAMINATION

Spring 2009

MGT613- Production / Operations Management (Session - 2)

Question No: 1 (Marks: 1) - Please choose one

Who developed the use of standardization in large-scale mass production using a moving assembly line?

- Frederick Winslow Taylor
- Frank Gilbreth
- Adam Smith
- **Henry Ford**

(Q#5)http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter1/multiple_choice_quiz.html

Question No: 2 (Marks: 1) - Please choose one

Within the operations function, which one of the following is a long-term management decision?

- Control decision
- Non-operational decision
- **Strategic decision**
- Tactical decision

(page 87) http://books.google.com/books?id=HGVuSNG-xQ0C&pg=PA87&dq=Within+the+operations+function,+which+one+of+the+following+is+a+long-term+management+decision?+%E2%96%BAControl+decision+%E2%96%BANon-operational+decision+%E2%96%BAStrategic+decision+%E2%96%BATactical+decision&hl=en&ei=4Q1yTeHdB4XyrQfH6ZXSCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCcQ6AEwAA#v=onepage&q&f=false

Question No: 3 (Marks: 1) - Please choose one

Which one of the following forms of productivity has units of output per shift?

- Capital
- Energy
- **Labor**
- Machine

Labor Productivity
Units of output per labor hour
Units of output per shift
Value-added per labor hour

Question No: 4 (Marks: 1) - Please choose one

Which one of the following forms of productivity has units of output per dollar input?

- **Capital**
- Energy
- Labor
- Machine

Capital Productivity Units of output per Rs. Input Dollar value of output per Rs. input

Question No: 5 (Marks: 1) - Please choose one

Operations manager is responsible for all of the following EXCEPT:

- Forecasting
- Capacity planning
- Inventory management
- **Distributing organizations' goods**

Operations Managers job responsibility includes but is not limited to☹ (page 3)

Ø Forecasting

Ø Capacity planning

Ø Scheduling

Inventory Management

Ø Quality Assurance and Control

Ø Motivating employees

Ø Deciding where to locate facilities

Question No: 6 (Marks: 1) - Please choose one

Which of the following is NOT usually considered a general characteristic of a service?

- Production and sales cannot easily be separated functionally
- Many services involve both tangible and intangible outputs
- **Production and consumption can always be separated**
- Degree of customer contact is high

(Q#6)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4471/1144826.cw/index.html

Question No: 7 (Marks: 1) - Please choose one

Which of the following is NOT a decision to be made by operations managers?

- How much capacity is required to balance demand?
- What should be the location and layout of a facility?
- How to improve operational efficiency?
- **Which market areas to manufacture the products for?**

Q#8http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4471/1144826.cw/index.html

Question No: 8 (Marks: 1) - Please choose one

A business process is a logical set of tasks or activities that:

- Are specific to the operations function
- Are specific to the marketing function
- **Are interdependent with other processes**
- Have exactly the same performance measures for any process

http://www.martymodell.com/pgsa2/pgsa13.html

A process is a sequence of related activities, or may be a sequence of related tasks which make up an activity. These activities or tasks are usually interdependent, and there is a well-defined flow from one activity to another or from one task to another.

Question No: 9 (Marks: 1) - Please choose one

Which one of the following formulae can be used to compute value?

- (Quality + Speed – Flexibility) / Cost
- **(Quality + Speed+ Flexibility) / Cost**
- (Quality + Speed - Cost) / Flexibility
- (Quality + Speed+ Cost) / Flexibility

Question No: 10 (Marks: 1) - Please choose one

Which of the following refers to the essential elements of operations strategy?

- Policies, tactics and objectives
- Plans, strategies and vision
- **Mission, goals and plans**
- Mission, policies and distinctive competencies

(page31)http://books.google.com/books?id=sW1FhvAHIWwC&pg=PA31&dq=Mission,+goals+and+plans+is+operation+strategy&hl=en&ei=AeSMTdv-J8HOrQfP2vnqDQ&sa=X&oi=book_result&ct=result&resnum=10&ved=0CGAQ6AEwCQ#v=onepage&q=Mission%2C%20goals%20and%20plans%20is%20operation%20strategy&f=false

Question No: 11 (Marks: 1) - Please choose one

Which one of the following correctly explains the qualitative forecasting technique?

- It consists mainly of numerical descriptions and defies subjective inputs of managers.
- It consists mainly of subjective inputs and defies particular numerical descriptions.
- **It consists mainly of subjective inputs and defies human factor, personal opinions.**
- It consists mainly of analyzing objective and hard data and defies human factor, opinion.

Qualitative Techniques which use subjective inputs and no numerical data. It relies solely on soft information like human factors, personal opinion, hunches. Thus Qualitative Forecasts are often biased and tilted towards what the management wants to predict

Question No: 12 (Marks: 1) - Please choose one

Which of the following approaches favors adopting a "go for it" strategy?

- Maximin
- **Maximax**
- Minimax regret
- Laplace

Maximax(page 26)

- **Maximax determines**
- **the best possible outcome**
- **Choose the Alternative with the best possible payoff.**
- **It does not take into account any other alternative then the best payoff.**
- **An optimistic approach.**
- **Go for it strategy.**

Question No: 13 (Marks: 1) - Please choose one

Which one of the following is an outcome of Maximax?

- The best of the worst possible payoff
- **The best possible payoff**
- The best average payoff
- The least of the worst regrets

Maximax(page 26)

- **Maximax determines**
- **the best possible outcome**
- **Choose the Alternative with the best possible payoff.**
- **It does not take into account any other alternative then the best payoff.**
- **An optimistic approach.**
- **Go for it strategy**

Question No: 14 (Marks: 1) - Please choose one

Which one of the following is a limitation of a moving average having a trend?

- **The forecast lags behind the actual**
- The forecast represents demand more accurately
- The forecast will not be accurate
- The forecast will not be reliable

Ref:

However, traditional moving averages have one very serious deficiency. They are a 'lagging' technical indicator. This means that moving averages, due to their mathematical construction (averaging prices over a number of prior periods) tend to lag behind the current market price.

http://www.tradertech.com/fast_break.asp

Question No: 15 (Marks: 1) - Please choose one

Which of the following is a technique that averages a number of recent actual values that are updated as new values become available?

- **Simple moving average**
- Delphi method
- Trend adjusted forecast
- Naïve forecast

***(Handout page 37)Moving average* – A technique that averages a number of recent actual values, updated as new values become available.**

Question No: 16 (Marks: 1) - Please choose one

A workers strike represents which of the following behaviors of a time series?

- Cycle
- Trend
- Seasonality

- **Irregular variations**

(page 37)Irregular variations **- caused by unusual circumstances such as severe weathers, earthquakes, worker strikes, or major change in product or service. They do not capture or reflect the true behavior of a variable and can distort the overall picture. These should be identified and removed from the data.**

Question No: 17 (Marks: 1) - Please choose one

Which one of the following is called as the difference between designed and utilized capacity?

- **Design capacity (not sure)**
- Effective capacity
- Buffer capacity
- Utilization rate

Question No: 18 (Marks: 1) - Please choose one

Which one of the following is an index used to measure actual output relative to design capacity?

- **Utilization**
- Efficiency
- Effective capacity
- Effectiveness

(Handout page 66) Efficiency and Utilization Example

Question No: 19 (Marks: 1) - Please choose one

The formula for determining the required cycle time is operation time per day divided by:

- Sum of task times
- Actual output per day (in units)
- Number of workstation
- **Desired output (in units)**

(Handout page 85) cycle time = OT/ D

Question No: 20 (Marks: 1) - Please choose one

Which one of the following layout type is associated with a restaurant?

- Fixed position layout
- Process layout
- Product layout
- **Hybrid layout**

(page111)http://books.google.com/books?id=sWtlOeC-3pEC&pg=PA111&lpg=PA111&dq=following+layout+type+is+associated+with+a+restaurant?+++%09Fixed+position+layout++%09Process+layout++%09Product+layout++%09Hybrid+layout&source=bl&ots=sKhwhoT_jf&sig=QT8hpUDBj8MAKX_WQYluvYvcPy4&hl=en&ei=NcN0TerPC4W8rAf5ytnRCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CCkQ6AEwAw#v=onepage&q&f=false

Question No: 21 (Marks: 1) - Please choose one

Which one of the following mathematical expressions can be used to compute output capacity?

- **OT/CT**

- CT/OT
- CT+OT
- CT-OT

(page 85)If OC is the Output capacity, OT is the operating Time and CT is the Cycle time then output capacity = OT/CT

Question No: 22 (Marks: 1) - Please choose one

What would be the output capacity if an assembly line operates for 7 hours per day with a cycle time of 2.0 minutes?

- 210 units per day
- **3.5 units per day**
- 0.004 units per day
- 14 units per day

output capacity = OT/CT
= 7/2.0
= 3.5

Question No: 23 (Marks: 1) - Please choose one

Which of the following forecasting technique is based on the assumption that past data is more indicative of the future than the most recent occurrences?

- Exponential smoothing
- Linear regression
- **Judgmental forecast**
- Naive forecast

http://books.google.com/books?id=dNThzoekGQcC&pg=PA191&dq=Judgmental+forecast+technique+is+based+on+the+assumption+that+past+data+is+more+indicative+of+the+future+than+the&hl=en&ei=Ish0TYidH4HPrQf9q4XSCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDUQ6AEwAw#v=onepage&q&f=false

Question No: 24 (Marks: 1) - Please choose one

Which of the following ensures that the design meets the performance characteristics that are specified in the product concept?

- **Functional design**
- Production design
- Service design
- Product design

(page51)
http://books.google.com/books?id=7m8VJP0I_ksC&pg=PA47&dq=design+meets+the+performance+characteristics+that+are+specified+in+the+product+concept&hl=en&ei=m8l0TduJJ8fKrAfEwuDSCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCcQ6AEwAA#v=onepage&q=design%20meets%20the%20performance%20characteristics%20that%20are%20specified%20in%20the%20product%20concept&f=false

Question No: 25 (Marks: 1) - Please choose one

CBR stands for which one of the following?

- Commercial board of revenue
- Central board of recycling
- Central board of renovation
- **Central board of revenue**

(page 46)CBR denotes Center Board of Revenue

Question No: 26 (Marks: 1) - Please choose one

In order to comply with the environmental standards, an organization ABC has to implement Occupational Safety Hygiene Administration (OSHA).Which one of the following is a way to accomplish this task?

- Promoting friendly relations among employees
- **Installing safety guards and devices to reduce the risk of potential accidents**
- Installing machinery to make the process speedy
- Installing machinery that provides cost effective output

(Handout page 46)

Question No: 27 (Marks: 1) - Please choose one

Which of the following is an advantage of standardization?

- Frozen designs
- Customized parts
- **Interchangeable parts**
- Reduced variety

(slide 11)
http://docs.google.com/viewer?a=v&q=cache:irU_blx_IywJ:zonecours.hec.ca/documents/H2011-1-2179442.Session7-ProductandProcessDesign.ppt+is+an+advantage+of+standardization%3F+Frozen+designs+Customized+parts+Interchangeable+parts+Reduced+variety&hl=en&pid=bl&srcid=ADGEESiRCjPPEGCrPoJ5gKeS4jDJi5K2y58gT-tmkGTpUwD2zUUcK2A-JHjO6KXoo3NaS3fYTbXPJFnxrTsh8_gHAMewUhhTMF3zs0Z3DTqgQD54mBQclpeFRV6Xcc2E6GqxGnf7J_s1&sig=AHIEtbSvIibe8xH8bREtNxavtACqS7Idfg

Question No: 28 (Marks: 1) - Please choose one

Which of the following refers to translate the voice of the customer into technical design requirements?

- Concurrent design
- Design for manufacture
- Robust design
- **Quality functional deployment**

(page43)
http://books.google.com.pk/books?id=ecCBaLGmSX4C&pg=PA43&dq=voice+of+the+customer+into+technical+design+requirements&hl=en&ei=9s10TbD_AcW28QP3paWvCA&sa=X&oi=book_result&ct=result&resnum=2&ved=0CCsQ6AEwAQ#v=onepage&q=voice%20of%20the%20customer%20into%20technical%20design%20requirements&f=false

Question No: 29 (Marks: 1) - Please choose one

A product 'A' is specified to work well up to 30 degree Celsius temperature and 30% humidity. What would these specifications represent?

- Reliability factor
- **Standard conditions**
- Normal operating conditions
- Standard operating procedure

http://www.weatherforecastingplus.info/category/demand-forecasting

Question No: 30 (Marks: 1) - Please choose one

What would be the availability if a carpenter is expected to be able to operate for 350 hours between repairs, and the mean repair time is expected to be 3 hours?

- **0.99**
- 1.0
- 3.0
- 7.03

Availability = (MTBF)/(MTBF + MTR)
350/353 = 0.99

Question No: 31 (Marks: 1) - Please choose one

What would be the availability if a carpenter is expected to be able to operate for 300 hours between repairs, and the mean repair time is expected to be 2 hours?

- 6.02
- 2.0
- **0.99**
- 0.006

Question No: 32 (Marks: 1) - Please choose one

Which of the following management level is responsible for long-range capacity planning?

- Lower management
- Middle management
- **Top management**
- Non managerial employees

(Q#8)http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter7/multiple_choice_quiz.html
Top-level management
*** Require an extensive knowledge of management roles and skills.**
*** They have to be very aware of external factors such as markets.**
*** Their decisions are generally of a long-term nature**
*** Their decisions are made using analytic, directive, conceptual and/or behavioral/participative processes**
*** They are responsible for strategic decisions.**
*** They have to chalk out the plan and see that plan may be effective in the future.**
*** They are executive in nature.**
http://en.wikipedia.org/wiki/Management

Question No: 33 (Marks: 1) - Please choose one

Capacity planning involves answering all of the following questions EXCEPT:

- What kind of capacity is needed?
- How much is needed?
- When is it needed?
- **Who is going to decide?**

(Handout page 64)
What kind of capacity is needed?
2. How much is needed?
3. When is it needed?

Question No: 34 (Marks: 1) - Please choose one

The disadvantages of specialization to management include all of the following EXCEPT:

- More absenteeism
- Minimum responsibility
- More turnover
- **More difficult to teach the job**

http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html

Question No: 35 (Marks: 1) - Please choose one

Which of the following can be used to compute standard time?

- Multiplying the elemental average time by the rating factor
- Dividing the average elemental time by the rating factor
- Multiplying the normal cycle time by the rating factor
- **Multiplying the normal cycle time by one plus the allowance factor**

(page 92)Standard Time=ST=NT X AF is the normal time plus allowance for delays like (getting a glass of water or going to the washroom human needs)

Question No: 36 (Marks: 1) - Please choose one

Which one of the following is an example of community factors that affect location decisions?

- Transportation
- **Quality of life**
- Location of new markets
- Location of raw materials

(page 96)Community Considerations

- **Quality of life**
- **Services**
- **Attitudes**
- **Taxes**
- **Environmental regulations**
- **Utilities**
- **Developer support**

Question No: 37 (Marks: 1) - Please choose one

Which one of the following statements is true about Occupational Safety Hygiene Administration (OSHA)?

- **To safeguard against potential hazards**
- To develop cost effective processes
- To implement legal standards
- To carry out implication of manufacturability and fitness

Question No: 38 (Marks: 1) - Please choose one

Which of the following is the primary input in capacity planning?

- Supply chain capabilities
- Competitors' strengths
- **Demand forecasts**
- Overall cost estimates

(page 31)A statement about the future value of a variable of interest such as resource requirements, capacity planning, SCM and product or service demand.
http://en.wikipedia.org/wiki/Capacity_planning

Question No: 39 (Marks: 1) - Please choose one

Services differ from manufacturing in all the following ways EXCEPT:

- Customers typically interact directly with the service delivery process.
- Consumption and production take place simultaneously.
- Services are intangible.
- **Services can be stored.**

Question No: 40 (Marks: 1) - Please choose one

Forecasting for groups tend to be more accurate than forecasting for individual items because:

- A group is composed of a number of items
- A group exhibits a uniform behavior
- **A group cancels the forecasting errors among items**
- A group behavior is relatively less uncertain

(page 33) Forecasts more accurate for groups vs. individuals naturally because forecasting errors in a group tend to cancel out forecasting errors for individuals.

Paper 3

MIDTERM EXAMINATION

Spring 2009

MGT613- Production / Operations Management (Session - 1)

Question No: 1 (Marks: 1) - Please choose one

Within the operations function, which one of the following is a long-term management decision?

- Control decision
- Non-operational decision
- **Strategic decision**
- Tactical decision

Question No: 2 (Marks: 1) - Please choose one

What would be the productivity if 9 workers installed 650 square yards of carpeting in 6 hours?

- **12.03 square yards/hr**
- 72.20 square yards/hr
- 108.30 square yards/hr
- 5850 square yards/hr

productivity = 650/ 9*6 = 12.03

(reference)]

OPERATIONS STRATEGY

E.g. 4 workers installed 720 square yards of carpeting in 8 hours.
Productivity = 720/(4*8) = 22.5 yards/hour

Question No: 3 (Marks: 1) - Please choose one

All of the following are the decision areas of an operations manager EXCEPT:

- **Financial reporting**
- Inventory management
- Scheduling tasks
- Supply chain management

http://wiki.answers.com/Q/What_are_Operations_management_decisions

Question No: 4 (Marks: 1) - Please choose one

Which of the following statements corresponds to an order-winning characteristic?

- A factor which may be significant in other parts of the organization
- **A factor which gives an organization a competitive edge**
- A factor which serves as a minimum standard for purchase
- A factor which increases the profitability of the organization

(Handout page 15)order winners are the characteristics of an organization's services that cause it to be perceived as better than the competitors services

Question No: 5 (Marks: 1) - Please choose one

Which one of the following correctly explains the elements of a good forecast?

- Timely, having a purpose, accurate, written, reliable, meaningful
- Timely, accurate, judgmental, correctness, verbal, simple to use
- **Timely, accurate, reliable, meaningful, written, simple to use**
- Timely, accurate, reliable, consistent, meaningful, written, simple to use

(Handout page 34)

Question No: 6 (Marks: 1) - Please choose one

Which one of the following correctly explains the quantitative forecasting technique?

- **It consists mainly of numerical descriptions and resist subjective inputs of managers.**
- It consists mainly of subjective inputs and resist particular numerical descriptions.
- It consists mainly of subjective inputs and resisit human factor, personal opinions.
- It consists mainly of analyzing objective and hard data and resist human factor, opinion.

Question No: 7 (Marks: 1) - Please choose one

Which one of the following forecasting techniques uses explanatory variables to predict future demand?

- **Associative forecast**
- Time series forecast
- Consumer survey
- Executive opinion

(page 35)Associative models - uses explanatory variables to predict the future for example demand for a small car may be dependant upon increase in price of petrol or CNG. The analysis in this case would employ a mathematical model that would relate the predicted variable with the predictor variable or variables

Question No: 8 (Marks: 1) - Please choose one

Which one of the following involves completing a series of questionnaires each developed from the previous one, to achieve a consensus forecast?

- Consumer surveys
- Executive opinion
- Time series forecast

- **Delphi method**

(page 35)Delphi method: Managers and staff complete a series of questionnaires, each developed from the previous one, to achieve a consensus forecast

Question No: 9 (Marks: 1) - Please choose one

Which one of the following is a limitation of a moving average having a trend?

- **The forecast lags behind the actual**
- The forecast represents demand more accurately
- The forecast will not be accurate
- The forecast will not be reliable

http://www.tradertech.com/fast_break.asp

However, traditional moving averages have one very serious deficiency. They are a 'lagging' technical indicator. This means that moving averages, due to their mathematical construction (averaging prices over a number of prior periods) tend to lag behind the current market price.

Question No: 10 (Marks: 1) - Please choose one

Which one of the following forecasting techniques is used to identify a trend when data is neither growing nor declining rapidly and has no seasonal characteristics?

- **Simple moving average**
- Delphi method
- Trend adjusted forecast
- Naïve forecast

(slide23)

http://docs.google.com/viewer?a=v&q=cache:d1D_zneuTfMJ:www.kf.vu.lt/~albud/progn/Erasmus/Engl-VU/ppt/General_Quantitative_forecasting_methods_in_library_management.ppt+forecasting+techniques+is+used+to+identify+a+trend+when+data+is+neither+growing+nor+declining+rapidly+and+has+no+seasonal+characteristics&hl=en&pid=bl&srcid=ADGEESg4H4O-NpULiPJqkwY9nZNHhO4G-oJhtEnTEyU7NPYzOKiUnWSpu9iFqs5CxIsf-Y45QRl7sSK_e9L0IKnoBMCuMyaXtjJWdhZEhnmaGVukQ5mUrFxLkCRhM8iOz8gS1dKjwny5&sig=AHIEtbSUhaGN_GXPBrAFvNkOaWVNAFlDxQ

Question No: 11 (Marks: 1) - Please choose one

Effective capacity is influenced by all of the following factors EXCEPT:

- Facilities
- **Product mix**
- Processes
- Operations

(Handout page 66 and 67)

Question No: 12 (Marks: 1) - Please choose one

Which one of the following stages of product life cycle relates to more predictable behavior in terms of capacity requirements?

- Introduction

- Growth
- **Maturity**
- Decline

Question No: 13 (Marks: 1) - Please choose one

Which one of the following statement is TRUE about cost-volume relationship?

- It **represents the relationship between cost, revenue and volume of output.**
- It represents the relationship between cost and volume of output.
- It represents the relationship between cost and revenue.
- It represents the relationship between inputs, cost and volume of output.

(page 73)Cost Volume Relationship focuses on relationships between costs, revenue and volume of output

Question No: 14 (Marks: 1) - Please choose one

Which one of the following refers to the volume of output at which total cost equals total revenue?

- Optimal operating rate
- **Break even point**
- Feasible volume
- Utilization

Question No: 15 (Marks: 1) - Please choose one

Which one of the following manufacturing process is associated with high volume car manufacture?

- Job shop
- **Assembly line**
- Batch
- Automation

http://en.wikipedia.org/wiki/Assembly_line
http://books.google.com.pk/books?id=HH0vVv6dMb0C&pg=PA427&lpg=PA427&dq=Which+one+of+the+following+manufacturing+process+is+associated+with+high+volume+car+manufacture?+++%09Job+shop++%09Assembly+line++%09Batch++%09Automation&source=bl&ots=X5Y3Vc2O6W&sig=iB6U8p_0dJahlQd-wB_IFcPZUIQ&hl=en&ei=xiJ1TcbYLMfZsgaCs5n5DA&sa=X&oi=book_result&ct=result&resnum=4&ved=0CCsQ6AEwAw#v=onepage&q=assembly%20line%20it%20reaches%20mass%20production&f=false

Question No: 16 (Marks: 1) - Please choose one

Which one of the following statements is NOT correct about cycle time?

- It represents daily operating time divided by desired production
- It is the maximum allowable time at each work station
- It determines the time often items take to roll off in assembly line
- **It is the time required to complete a product from start to finish**

(Question 2)http://www.cbpa.ewu.edu/~pnemetzmills/OMch5/pracanswers.html

Question No: 17 (Marks: 1) - Please choose one

Which one of the following layout type is associated with a restaurant?

- Fixed position layout

- Process layout
- Product layout
- **Hybrid layout**

http://books.google.com/books?id=sWtlOeC-3pEC&pg=PA111&lpg=PA111&dq=following+layout+type+is+associated+with+a+restaurant?+++%09Fixed+position+layout++%09Process+layout++%09Product+layout++%09Hybrid+layout&source=bl&ots=sKhwhoT_jf&sig=QT8hpUDBj8MAKX_WQYluvYycPy4&hl=en&ei=NcN0TerPC4W8rAf5ytnRCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CCkQ6AEwAw#v=onepage&q&f=false

Question No: 18 (Marks: 1) - Please choose one

Which of the following layout types is associated with a supermarket?

- Fixed position layout
- **Process layout**
- Product layout
- Cellular layout

(Q#2)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144918.cw/index.html

Question No: 19 (Marks: 1) - Please choose one

Which one of the following layout types is associated with car assembly?

- Fixed position layout
- Process layout
- **Product layout**
- Hybrid layout

Product – Layout should suit to the nature of product and its method of production. i.e. aircraft manufacturing and car manufacturing layouts will be different. Sales also affects the layout.

http://www.scribd.com/doc/7369836/Facility-Layout

Question No: 20 (Marks: 1) - Please choose one

In which one of the following techniques, the least squares method models uses one dependent and one or more independent variables?

- Trend adjusted forecast
- Simple moving average
- **Regression analysis**
- Exponential smoothing

(Question 2)http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter9/multiple_choice_quiz.html

Question No: 21 (Marks: 1) - Please choose one

In exponential smoothing model, a denotes:

- **Smoothing constant**
- Actual forecast
- Forecast error
- Previous forecast

(Handout page 40)a = Alpha smoothing constant

Question No: 22 (Marks: 1) - Please choose one

Which one of the following is responsible for administering environmental issues about product and service design?

- Central Board Revenue
- Environmental Protection Agency
- Federal Drug Agency
- **Occupational Safety Hygiene Administration**

Question No: 23 (Marks: 1) - Please choose one

Which of the following takes into consideration the design of aesthetics of the product?

- Functional design
- Production design
- Service design
- **Product design**

(reference 1st (http://www.acrwebsite.org/volumes/display.asp?id=7824

Product design (i.e., industrial design) is perhaps most associated with aesthetic considerations (Bel Geddes 1934, pp. 222-241)

http://books.google.com.pk/books?id=CFlyglsIINYC&pg=PA40&dq=design+of+aesthetics+of+the+product&hl=en&ei=gdZzTaWSNM6O4gb8pc3JDQ&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDkQ6AEwAw#v=onepage&q=ROLE%20OF%20AESTHETICS%20IN%20PRODUCT%20DESIGN%20Considering%20the%20importance%20of%20aesthetics&f=false

Question No: 24 (Marks: 1) - Please choose one

Which of the following ensures that the design meets the performance characteristics that are specified in the product concept?

- **Functional design**
- Production design
- Service design
- Product design

(page51)

http://books.google.com/books?id=7m8VJP0I_ksC&pg=PA47&lpg=PA47&dq=design+meets+the+performance+characteristics+that+are+specified+in+the+product+concept&source=bl&ots=ZWJA95EKbR&sig=SUtZQrDK3TQArKPZz60fesUU-nM&hl=en&ei=Hix1TaKaNYa3rAfC6KDSCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CBMQ6AEwAA#v=onepage&q=design%20meets%20the%20performance%20characteristics%20that%20are%20specified%20in%20the%20product%20concept&f=false

Question No: 25 (Marks: 1) - Please choose one

Which of the following factors are considered in product and service design?

- Customer satisfaction, quality, and improvement costs
- Employee motivation, quality, and production costs
- Customer satisfaction, flexibility, and production costs
- **Customer satisfaction, quality, and production costs**

(Handout page 44)A good product/service design can ensure customer satisfaction, quality and production costs

Question No: 26 (Marks: 1) - Please choose one

CBR stands for which one of the following?

- Commercial board of revenue
- Central board of recycling
- Central board of renovation
- **Central board of revenue**

Question No: 27 (Marks: 1) - Please choose one

An automatic car wash is an example of which of the following?

- Customized service
- Batch processing
- Intermittent processing
- **Standardized service**

Standardized service implies that every customer or item processed receives essentially the same service. An automatic car wash is a good example; each car, regardless of how clean or dirty it is, receives the same service. Standardized processes deliver standardized service or produce standardized goods.
http://highered.mcgraw-hill.com/sites/dl/free/0070911894/90584/2ndSampleCh4.pdf

Question No: 28 (Marks: 1) - Please choose one

Which one of the following statements relates to the final stage of product life cycle?

- Improve reliability, and reduce production costs
- **Improve packaging, and reliability**
- Improve reliability, and reduce quality
- Improve reliability, and reduce promotion costs

http://www.websukat.com/TQM-product-life-cycle.htm

Question No: 29 (Marks: 1) - Please choose one

Which one of the following statements is TRUE about product life cycle?

- It depicts demand of a product at various price levels
- **It depicts demand of a product with respect to time**
- It relates demand of a product to quality
- It relates demand of a product to market share

http://en.wikipedia.org/wiki/Product_life_cycle_management_%28marketing%29

Question No: 30 (Marks: 1) - Please choose one

Technology has impacted the work place by:

- Adding to the existing geographical barriers for recruiting
- Increasing the cost of telecommuting
- Increasing the amount required to be spent on training
- **Unifying the workforce to a common skill level**

http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html

Question No: 31 (Marks: 1) - Please choose one

CPFR stands for which of the following?

- Collaborative Promotion, Forecasting, and Replenishment
- Collaborative Planning, Forecasting, and Reactivity
- Co-operative Planning, Function, and Replenishment

- **Collaborative Planning, Forecasting, and Replenishment**

(page 177)CPFR is an acronym derived from the first letters of the following phrase: Collaborative Planning, Forecasting and Replenishment

Question No: 32 (Marks: 1) - Please choose one

Forecasting accuracy has relation with time horizon.

- **Inverse**
- Linear
- Direct
- Parallel

(page 33)Forecast accuracy decreases as time horizon increases indicating it is safe to make short range forecasts instead of long term forecasts. If you can recall we had talked about Flexible and Agile Corporations in the past.

Question No: 33 (Marks: 1) - Please choose one

Which one of the following is a key benefit of process plant strategy?

- **Economies of scale**
- Diseconomies of scale
- Product variety
- Task specialization

(page 369)

http://books.google.com/books?id=tqVIT0xE4NAC&pg=PA369&dq=key+benefit+of+process+plant+strategy&hl=en&ei=cjd1TaX5LIfNrQeo39DRCg&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDIQ6AEwAQ#v=onepage&q=key%20benefit%20of%20process%20plant%20strategy&f=false

Question No: 34 (Marks: 1) - Please choose one

Which one the following is an assumption of center of gravity method?

- The quantity to be shipped is variable
- **The quantity to be shipped is fixed**
- The quantity carries no value
- The quantity to be shipped should be extraordinarily high

The center of gravity method is used to determine the location of a single distribution center that will minimize distribution costs. It treats distribution cost as a linear function of the distance and the quantity shipped, which is assumed to be fixed, http://farfromneutral.com/kaizen/center-of-gravity-method/

Question No: 35 (Marks: 1) - Please choose one

Which of the following is the primary input in capacity planning?

- Supply chain capabilities
- Competitors' strengths
- **Demand forecasts**
- Overall cost estimates

(page 31)A statement about the future value of a variable of interest such as resource requirements, capacity planning, SCM and product or service demand.

Question No: 36 (Marks: 1) - Please choose one

The type of processing structure that is used for producing discrete products at higher volume is:

- Continuous Flow

- **Assembly Line**
- Batch
- Job shop

Ref: http://highered.mcgraw-hill.com/sites/0073403296/student_view0/chapter7/multiple_choice_quiz.html

http://www.clarku.edu/~jsarkis/samples/chap005.htm

Question No: 37 (Marks: 1) - Please choose one

Quality, costs, lead times, operating resources are all related to which one of the following strategies.

- Organizational strategy
- Financial strategy
- **Operational strategy**
- Tectical strategy

(page 5)

http://docs.google.com/viewer?a=v&q=cache:Z8OTKodTI24J:bulatov.org.ua/teaching_courses/nam_operations/L2%2520PRODUCTIVITY,%2520COMPETITIVENESS,%2520STRATEGY.doc+Quality,+costs,+lead+times,+operating+resources+are+all+related+to+which+one+of+the+following+strategies.&hl=en&pid=bl&srcid=ADGEESjFppdZdPqJCYGeE5eZ0lbXSbBIaQuAZHRq8WGSAb060LQFyePsZ7uLK3tBxikelBwidDyqI2uehI7dlnTODYpZMU2xVYk6oWk7IHpLh4hW3Brot6pOUAe-f0XbM42tJV6kLRzg&sig=AHIEtbTPrI3D_ojnS5NaIDEX2_ltVEqOrQ

Question No: 38 (Marks: 1) - Please choose one

The Strategies which are more focused on maintaining or improving the quality of an organization's products or services are known as:

- Quality at the source
- Time based strategies
- Cost leadership strategies
- **Quality-based strategies**

(page 18)Quality-based strategies

Focuses on maintaining or improving the quality of an organization's products or services

Question No: 39 (Marks: 1) - Please choose one

Which of the following is NOT an attribute to classify services?

- **Tangibility**
- Perishability
- Simultaneity
- Courtesy

Question No: 40 (Marks: 1) - Please choose one

Forecasting for groups tend to be more accurate than forecasting for individual items because:

- A group is composed of a number of items
- A group exhibits a uniform behavior

- **A group cancels the forecasting errors among items**
- A group behavior is relatively less uncertain

(page 33) Forecasts more accurate for groups vs. individuals naturally because forecasting errors in a group tend to cancel out forecasting errors for individuals

Paper 4

MIDTERM EXAMINATION
Spring 2009 MGT613- Production / Operation Management (Session - 2)

Question No: 1 (Marks: 1) - Please choose one

Within the operations function, which one of the following is a long-term management decision?

►Control decision

►Non-operational decision

►Strategic decision

►Tactical decision

(page 87) http://books.google.com/books?id=HGVuSNG-xQ0C&pg=PA87&dq=Within+the+operations+function,+which+one+of+the+following+is+a+long-term+management+decision?+%E2%96%BAControl+decision+%E2%96%BANon-operational+decision+%E2%96%BAStrategic+decision+%E2%96%BATactical+decision&hl=en&ei=4Q1yTeHdB4XyrQfH6ZXSCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCcQ6AEwAA#v=onepage&q&f=false

Question No: 2 (Marks: 1) - Please choose one

Which one of the following forms of productivity has units of output per dollar input?

►Capital

►Energy

►Labor

►Machine

Capital Productivity: Units of output per dollar input
Dollar value of output per dollar input

Question No: 3 (Marks: 1) - Please choose one

Which one of the following is a measure of productivity that involves measuring inputs and outputs using a common unit of measurement?

►**Multifactor**

►Partial

►Single

►Total

OPERATIONS STRATEGY

Multifactor productivity measures require inputs and outputs using a common unit of measurement, such as cost or value.

Question No: 4 (Marks: 1) - Please choose one

The major business function consisting of research and development, product design, manufacturing, marketing, distribution, and customer service is refers to:

►Value chain

►The transformation process

►Quality control

►Life cycle

http://books.google.com.pk/books?id=f5p17Sz5NLMC&pg=PA379&lpg=PA379&dq=of+research+and+development,+product+design,+manufacturing,+marketing,+distribution,+and+customer+service+is+refer+to+life+cycle&source=bl&ots=RMJzKlWMHc&sig=xTlAlvhI2ADkAdSG61mOISidtqE&hl=en&ei=5h9yTYa1NY3krAevra3SCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CBcQ6AEwAA#v=onepage&q&f=false(page 379)

Question No: 5 (Marks: 1) - Please choose one

A business process is a logical set of tasks or activities that:

►Are specific to the operations function

►Are specific to the marketing function

►Are interdependent with other processes

►Have exactly the same performance measures for any process

A *process* is a sequence of related activities, or may be a sequence of related tasks which make up an activity. These activities or tasks are usually interdependent, and there is a well-defined flow from one activity to another.
http://www.martymodell.com/pgsa2/pgsa13.html

Question No: 6 (Marks: 1) - Please choose one

Which one of the following formulae can be used to compute value?

►(Quality + Speed - Flexibility) / Cost

►(Quality + Speed+ Flexibility) / Cost

►(Quality + Speed - Cost) / Flexibility

►(Quality + Speed+ Cost) / Flexibility

(HANDOUT PAGE 10)

Question No: 7 (Marks: 1) - Please choose one

Which one the following formula or function can be used to measure the performance?

► Flexibility + profit+ operations

►Work + profit + value

►Quality + speed + flexibility

►Profit + Incentives + standards

(HANDOUT PAGE 10)

Question No: 8 (Marks: 1) - Please choose one

Which of the following statements corresponds to an order-winning characteristic?

►A factor which may be significant in other parts of the organization

►A factor which gives an organization a competitive edge

►A factor which serves as a minimum standard for purchase

►A factor which increases the profitability of the organization

(Handout page 15)order winners are the characteristics of an organization's services that cause it to be perceived as better than the competitors services.

Question No: 9 (Marks: 1) - Please choose one

As a manager, you have defined the purpose of the forecasts. What should be the **next** step in forecasting process?

►Choose a forecasting technique.

►Determine the purpose of the forecast.

►Set up a time horizon or a time limit.

►Collect and analyze the appropriate data.

(Handout page 34)

Question No: 10 (Marks: 1) - Please choose one

Which one of the following forecasting technique is based on historical data?

►Judgmental

►Associative

► Time series

► Qualitative

(page 35) · *T ime series* - uses historical data assuming the future will be like the past and depend on developing relationships between variables that can be expressed to predict future values.

Question No: 11 (Marks: 1) - Please choose one

Which one of the following forecasting techniques use subjective inputs su from consumer surveys, sales staff, managers and experts?

►Time series

►Quantitative

►Judgmental

►Associative

(page 35) ***J udgmental*** - uses subjective inputs meaning that a judgmental forecast rely on analysis of subjective inputs obtained from various sources, such as consumer surveys, the sales staff, managers and executives, and panels of experts. These insights are not available publicly.

Question No: 12 (Marks: 1) - Please choose one

Which of the following approaches favors adopting a "go for it" strategy?

►Maximin

►Maximax

►Minimax regret

►Laplace

(Handout page 26)

Question No: 13 (Marks: 1) - Please choose one

Possible future demand	
Low (Rs.)	High (Rs.)
10,000	8,000

12,000	20,000
18,000	15,000

Given the table:

Alternatives

Which one of the following is the correct payoff under MAXIMAX approach?

► Rs. 10,000

► Rs. 18,000

► **Rs. 20,000**

► Rs. 32,000

Question No: 14 (Marks: 1) - Please choose one

Which one of the following is NOT a step of decision making process?

►Develop alternatives

►Monitor results

►**Consider risk averseness strategies**

►Specify criteria for decision

Ref: 1. Specify Objectives and the Criteria for decision making

2. Develop Alternatives

3. Analyze and compare alternatives.

4. Select the best alternative.

5. Implement the chosen Alternative

6. Monitor the results to ensure the desired results are achieved.

Question No: 15 (Marks: 1) - Please choose one

Which one of the following stages of product life cycle relates to more predictable behavior in terms of capacity requirements?

►Introduction

►Growth(not sure)

►Maturity

►Decline

Question No: 16 (Marks: 1) - Please choose one

Which one of the following statement is TRUE about cost-volume relationship?

►It represents the relationship between cost, revenue and volume of output.

►It represents the relationship between cost and volume of output.

►It represents the relationship between cost and revenue.

►It represents the relationship between inputs, cost and volume of output.

Ref: Cost Volume Relationship focuses on relationships between costs, revenue and volume of output. (page 73)

Question No: 17 (Marks: 1) - Please choose one

Which one of the following formulae can be used to compute break even point?

►Q = VC / (R - VC)

►Q = FC / (R - VC)

►Q = VC / (R + FC)

►Q = FC / (R + VC)

Question No: 18 (Marks: 1) - Please choose one

ABC Corporation has planned to purchase a new machine. Total annual fixed cost is Rs. 10,000, variable cost is Rs. 5 per unit and revenue is Rs. 7 per unit. What would be the break even point?

►833 units

►2000 units

►5000 units

►1012 units

Question No: 19 (Marks: 1) - Please choose one

Which of the following terms of financial analysis are important for the organization to proceed with a capacity alternative decision?

►Cash flow and fixed cost

►Present value and fixed cost

►**Cash flow and present value**

►Cash flow and profit

Ref: Operations manager along with managerial accountant often work to calculate what cash flow or present value in terms of rupees is available for the organization to proceed with a capacity alternative decision.(page 76)

Question No: 20 (Marks: 1) - Please choose one

Which of the following is a system designed to coordinate all activities and information needed to complete business processes?

►**Enterprise resource planning**

►Supply chain management

►New product development

►Customer relationship management

(page 509)http://books.google.com/books?id=9hm1-xNYbIcC&pg=PA509&dq=is+a+system+designed+to+coordinate+all+activities+and+information+needed+to+complete+business+processes&hl=en&ei=ozJyTayjOIS8rAec6vTRCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCcQ6AEwAA#v=onepage&q=is%20a%20system%20designed%20to%20coordinate%20all%20activities%20and%20information%20needed%20to%20complete%20business%20processes&f=false

Question No: 21 (Marks: 1) - Please choose one

Which of the following is **NOT** a characteristic of product layouts?

►**High material handling costs**

►Sequential arrangement of machines

►Standardized output

►Continuous production system

Ref: Lecture slide#19

1. High rate of output.

2. Low unit cost.

3. Labor specialization.

4. Low material handling cost.

5. High utilization of labor and equipment.

6. Established routing and scheduling.

7. Routing accounting and purchasing.

Question No: 22 (Marks: 1) - Please choose one

Which one of the following layout types is associated with car assembly?

►Fixed position layout

►Process layout

►Product layout

►Hybrid layout

(Handout page 80) http://www.scribd.com/doc/7369836/Facility-Layout

Question No: 23 (Marks: 1) - Please choose one

In exponential smoothing model, a denotes:

►Smoothing constant

►Actual forecast

►Forecast error

►Previous forecast

(Handout page 40) α = Alpha smoothing constant

Question No: 24 (Marks: 1) - Please choose one

Which one of the following designs resists modifications?

►Frozen design (review again)

►Product design

►Service design

►Robust design

(Page 48)

Question No: 25 (Marks: 1) - Please choose one

Which one of the following is TRUE about Taguchi approach?

►To test the robustness of a design

►To articulate the "voice of the customer"

►To reduce the degree of automation

►To create a concurrent design

(Q#4)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144886.cw/index.html

Question No: 26 (Marks: 1) - Please choose one

Which one of the following refers to using some of the components of old products in the manufacturing of new products?

►Manufacturability

►Remanufacturing

►Robust design

►Automation

Question No: 27 (Marks: 1) - Please choose one

Which one of the following is a curve showing failure rate over time?

►Cost curve

►Bath tub curve

►Fish bone diagram

►Reliability curve

(Page 59 and 60)

Question No: 28 (Marks: 1) - Please choose one
ble to operate for 250

What would be the
availability if a carpe hours
between repairs, and the
mean rep?

►1.01

►5.03

►3.0

►0.98

Question No: 29 (Marks: 1) - Please choose one

Which one of the following is the goal of method analysis?

► Dividing and analyzing a job

►Check individual human motions used to perform an operation

►Determining the length of time it will take to undertake a particular task

►Determining the amount of time a worker spends on various activities

(page 87)
Design of Work System also entails method analysis which in turn centers on how jobs are performed.
(page 93)
Supplementary discussions focused on Method Analysis and Motion Study Techniques, which focused on efficiency aspect of the job. This may ignore the behavior aspect but still form an important and integral part of job design.

Question No: 30 (Marks: 1) - Please choose one

Which one of the following is an example of regional factors that
affect location decisions?

►Transportation

►Quality of life

►Development support

►Location of new markets

(page 96)

Regional Factors
Location of raw materials
Location of markets
Labor factors
Climate and taxes

Question No: 31 (Marks: 1) - Please choose one

Which one of the following is an example of site related factors that affect location decision?

►Transportation

►Quality of life

►Location of new markets

►Location of raw materials

(page 96)

•Land

•Transportation

•Environmental

•Legal

Question No: 32 (Marks: 1) - Please choose one

Which one of the following statements is **true** about Occupational Safety Hygiene Administration (OSHA)?

►To safeguard against potential hazards

►To develop cost effective processes

►To implement legal standards

► To carry out implication of manufacturability and fitness

(page 46) OSHA refers to Occupational Safety Hygiene Administration

Question No: 33 (Marks: 1) - Please choose one

Which one of the following is used to produce gasoline and petroleum products?

►Job shop

►Batch processing

►Assembly line

►Continuous processing

Continuous and Semi Continuous Operations

1. A system that produces highly uniform products or continuous services, often performed by machines.

1. Processing of chemicals, photographic film, newsprint and oil products

2. Repetitive Processing. A production system that renders one or a few highly standardized products or services.

1. Automobiles, televisions, computers ,calculators, cameras and video equipments

Question No: 34 (Marks: 1) - Please choose one

The type of processing structure that is used for producing discrete products at higher volume is:

►Continuous Flow

►Assembly Line

►Batch

►Job shop

Ref: http://highered.mcgraw-hill.com/sites/0073403296/student_view0/chapter7/multiple_choice_quiz.html

http://www.clarku.edu/~jsarkis/samples/chap005.htm

Question No: 35 (Marks: 1) - Please choose one

An example of a business/industry that uses batch flow process structure is:

►Commercial printer

►Heavy equipment

►Automobile assembly

►Sugar refinery

http://www.clarku.edu/~jsarkis/samples/chap005.htm (Q#8)

Question No: 36 (Marks: 1) - Please choose one

Services differ from manufacturing in all the following ways EXCEPT:

►Customers typically interact directly with the service delivery process.

►Consumption and production take place simultaneously.

►Services are intangible.

►Services can be stored.

http://wiki.answers.com/Q/How_do_service_operations_differ_from_manufacturing_operations

Question No: 37 (Marks: 1) - Please choose one

Quality, costs, lead times, operating resources are all related to which one of the following strategies.

►Organizational strategy

►Financial strategy

►Operational strategy

►Tectical strategy

Os is related to products, processes, methods, operating resources, quality, costs, lead times, and scheduling.

http://webcache.googleusercontent.com/search?q=cache:Z8OTKodTI24J:bulatov.org.ua/teaching_courses/nam_operations/L2%2520PRODUCTIVITY,%2520COMPETITIVENESS,%2520STRATEGY.doc+Quality,+costs,+lead+times,+operating+resources+are+all+related+to+which+one+of+the+following+strategies.&cd=4&hl=en&ct=clnk&source=www.google.com

Question No: 38 (Marks: 1) - Please choose one

All of the following are examples of the transformation process EXCEPT:

►Cutting

►Packing

►Facilitating

►Labeling(not sure)

Question No: 39 (Marks: 1) - Please choose one

_____ purpose is to coordinate and control all the required sources so that productive system can be used efficiently and to ensure the delivery of product in time.

► Total quality control's

►Demand management's

►Forecasting's

►Operations management's

http://books.google.com/books?id=d3eREcsD35sC&pg=PA551&dq=The+purpose+of+demand+management+is+to+coordinate+and+control+all+sources+of+demand+so+the+productive+system+can+be+used+efficiently+and+the+product&hl=en&ei=gTCOTfjdJpCmvgP9pbC5DQ&sa=X&oi=book_result&ct=result&resnum=3&ved=0CDkQ6AEwAg#v=onepage&q=The%20purpose%20of%20demand%20management%20is%20to%20coordinate%20and%20control%20all%20sources%20of%20demand%20so%20the%20productive%20system%20can%20be%20used%20efficiently%20and%20the%20product&f=false(page 551)

Question No: 40 (Marks: 1) - Please choose one

Which of the following is a characteristic of linear regression?

► It is superior to a moving average

► **It is a causal forecasting model**

► It compensates for both trend and season

► It is superior to an exponential smoothing

http://cwx.prenhall.com/bookbind/pubbooks/russell/chapter10/multiple1/deluxe-content.html

Paper 5

MIDTERM EXAMINATION
Spring 2010
MGT613- Production / Operations Management

Question No: 1 (Marks: 1) - Please choose one

Within the operations function, which one of the following is a long-term management decision?

► Control decision
► Non-operational decision
► **Strategic decision**
► Tactical decision

Question No: 2 (Marks: 1) - Please choose one

The management of systems or processes that creates goods and provides services is known as:

► **Operation Management**
► Operation/production Management
► Operation/Research Management
► Production/Research Management

Page#3 perations Management (The management of systems or processes that *create goods and/or rovide services*)

Question No: 3 (Marks: 1) - Please choose one

Which one of the following decision is NOT made by operations managers?

► How much capacity is required to balance demand?
► What should be the location and layout of a facility?
► How to improve operational efficiency?
► **Which market areas to manufacture the products for?**

Question No: 4 (Marks: 1) - Please choose one

A business process is a logical set of tasks or activities that:

► Are specific to the operations function

► Are specific to the marketing function

► Are interdependent with other processes

► Have exactly the same performance measures for any process

Question No: 5 (Marks: 1) - Please choose one

Which one the following formula or function can be used to measure the performance?

► Flexibility + profit+ operations

► Work + profit + value

► Quality + speed + flexibility

► Profit + Incentives + standards

Question No: 6 (Marks: 1) - Please choose one

Which of the following statements describes an order-qualifier characteristic?

► A competitive dimension used to make final decision among competitors

► A factor which directly and significantly contribute to winning business

► A factor which increases the profitability of the organization

► A factor perceived as a minimum standard as a potential for purchase

Page#15

Order qualifiers are those significant characteristics that service customers perceive as minimum standards of acceptability to be considered as a potential purchase while order winners

Question No: 7 (Marks: 1) - Please choose one

Which one of the following forecasting techniques uses explanatory variables to predict future demand?

► Associative forecast

► Time series forecast

► Consumer survey

► Executive opinion

Question No: 8 (Marks: 1) - Please choose one

In which one of the following decision environments it is impossible to assess the likelihood of various future events?

► Risk

► Bounded rationality

► Certainty

► Uncertainty

• Uncertainty - Environment in which it is impossible to assess the likelihood of various future events

Question No: 9 (Marks: 1) - Please choose one

Which one of the following is an implication of laplace approach of decision making?

► The best of the worst possible payoff

► The best possible payoff

► The best average payoff

► The least of the worst regrets

Page#27 Determines the Average payoff for each alternative

Ø And chooses the alternative with the best average.

Ø This is a cautious approach

Ø Laplace approach treats the states of nature as equally likely.

Question No: 10 (Marks: 1) - Please choose one

Which one of the following is an outcome of MINIMAX regret?

► The best of the worst possible payoff
► The best possible payoff
► The best average payoff
► **The least of the worst regret**

http://books.google.com/books?id=tqVIT0xE4NAC&pg=PA208&dq=Which+one+of+the+following+is+an+outcome+of+MINIMAX+regret?++++++++%E2%96%BA+The+best+of+the+worst+possible+payoff++++++++%E2%96%BA+The+best+possible+payoff++++++++%E2%96%BA+The+best+average+payoff+++++++++%E2%96%BA+The+least+of+the+worst+regret&hl=en&ei=YzOOTbXEBoyougPRpby8DQ&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCcQ6AEwAA#v=onepage&q&f=false (page 208)

Question No: 11 (Marks: 1) - Please choose one

Which one of the following is a limitation of a moving average having a trend?

► **The forecast lags behind the actual**
► The forecast represents demand more accurately
► The forecast will not be accurate
► The forecast will not be reliable

Question No: 12 (Marks: 1) - Please choose one

Which one of the following refers to the maximum output that a firm can produce under ideal conditions?

► **Design capacity (not sure)**
► Effective capacity
► Capacity planning
► Utilization rate

Question No: 13 (Marks: 1) - Please choose one

Which one of the following is a characteristic of continuous process?

► High lead times
► Short process times
► The ability to handle high variety
► **The ability to handle high volumes**

(Q#11)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144864.cw/index.html

Question No: 14 (Marks: 1) - Please choose one

Which of the following is an example of a business that uses assembly line process structure?

► **Automobile assembly**
► Sugar refinery
► Heavy equipment
► French restaurants

Assembly line - Example: automobile production line

A good example of an assembly line is an automobile plant.
http://www.netmba.com/operations/process/structure/

Question No: 15 (Marks: 1) - Please choose one

Which of the following layout types is associated with a supermarket?

► Fixed position layout
► **Process layout**
► Product layout
► Cellular layout

(Q#2)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144918.cw/index.html

Question No: 16 (Marks: 1) - Please choose one

Which one of the following layout types is associated with car assembly?

► Fixed position layout
► Process layout
► **Product layout**
► Hybrid layout

P#80http://www.scribd.com/doc/7369836/Facility-Layout

Question No: 17 (Marks: 1) - Please choose one

A department store discovered that in a four-month period, the best forecast can be determined by using 50 percent of the sales for the most recent month, 20 percent of the sales of two months ago, 10 percent of the sales of three months ago, and 20 percent of the sales of four months ago. Which forecasting method should the store use to forecast demand?

► Simple Moving Average
► Linear Regression
► Time Series Analysis
► **Weighted Moving Average**

http://nsdl.niscair.res.in/bitstream/123456789/829/1/CHAPTER-6+FORECASTING+TECHNIQUES-+Formatted.pdf (page 15)

Question No: 18 (Marks: 1) - Please choose one

Which one of the following is an application of simple exponential smoothing?

► Establishing durability
► Finding reliability
► **Scheduling services**
► Quality improvement

Question No: 19 (Marks: 1) - Please choose one

Which of the following takes into consideration the design of aesthetics of the product?

► Functional design
► Production design
► Service design
► **Product design**

http://books.google.com.pk/books?id=CFlyglsIINYC&pg=PA40&dq=design+of+aesthetics+of+the+product&hl=en&ei=gdZzTaWSNM6O4gb8pc3JDQ&sa=X&oi=boo

k_result&ct=result&resnum=4&ved=0CDkQ6AEwAw#v=onepage&q=ROLE%20OF%20AESTHETICS%20IN%20PRODUCT%20DESIGN%20Considering%20the%20importance%20of%20aesthetics&f=false

Product design (i.e., industrial design) is perhaps most associated with aesthetic considerations (Bel Geddes 1934, pp. 222-241).

http://www.acrwebsite.org/volumes/display.asp?id=7824

Question No: 20 (Marks: 1) - Please choose one

Which one of the following statements is TRUE about product life cycle?

► It depicts demand of a product at various price levels

► It depicts demand of a product with respect to time

► It relates demand of a product to quality

► It relates demand of a product to market share

http://en.wikipedia.org/wiki/Product_life_cycle_management_%28marketing%29

Question No: 21 (Marks: 1) - Please choose one

Which one of the following is TRUE about Taguchi approach?

► To test the robustness of a design

► To articulate the "voice of the customer"

► To reduce the degree of automation

► To create a concurrent design

(Handout page 52) Taguchi Approach To Robust Design

http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144886.cw/index.html

Question No: 22 (Marks: 1) - Please choose one

Which one of the following is a curve showing failure rate over time?

► Cost curve

► Bath tub curve

► Fish bone diagram

► Reliability curve

(Handout page 60)

Question No: 23 (Marks: 1) - Please choose one

Which of following statement is **true** about effective capacity?

► It is the actual output achieved

► It is always less than actual output

► It is the maximum output that a firm can produce

► It is always less than designed capacity

(page 249)

http://books.google.com.pk/books?id=wUHzc8JtZzUC&pg=PA249&dq=effective+capacity+It+is+the+actual+output+achieved&hl=en&ei=4WV3TfycOIio8AP885jPCw&sa=X&oi=book_result&ct=result&resnum=1&sqi=2&ved=0CCcQ6AEwAA#v=onepage&q=effective%20capacity%20It%20is%20the%20actual%20output%20achieved&f=false

Question No: 24 (Marks: 1) - Please choose one

Which one of the following is used to produce gasoline and petroleum products?

► Job shop

► Batch processing

► Assembly line

► **Continuous processing**

http://highered.mcgraw-hill.com/sites/0073403296/student_view0/chapter7/multiple_choice_quiz.html

Question No: 25 (Marks: 1) - Please choose one

Quality, costs, lead times, operating resources are all related to which one of the following strategies.

► Organizational strategy
► Financial strategy
► **Operational strategy**
► Tectical strategy

Os is related to products, processes, methods, operating resources, quality, costs, lead times, and scheduling.

http://webcache.googleusercontent.com/search?q=cache:Z8OTKodTI24J:bulatov.org.ua/teaching_courses/nam_operations/L2%2520PRODUCTIVITY,%2520COMPETITIVENESS,%2520STRATEGY.doc+Quality,+costs,+lead+times,+operating+resources+are+all+related+to+which+one+of+the+following+strategies.&cd=4&hl=en&ct=clnk&source=www.google.com

Question No: 26 (Marks: 1) - Please choose one

Which one of the following refers to bringing together engineering design and manufacturing personnel early in the design phase.

► Reverse engineering
► **Concurrent engineering**
► Manufacturability
► Serviceability

(Handout page 53) Concurrent engineering is the bringing together of engineering design and manufacturing personnel early in the design phase.

Question No: 27 (Marks: 1) - Please choose one

Which of the following refers to the way an organization chooses to produce its goods or services?

► **Process selection**
► Process reengineering
► Process redesign
► Process design

(page 77) Process Selection refers to the way an organization chooses to produce its good or services

Question No: 28 (Marks: 1) - Please choose one

Which one of the following is the first step in line balancing?

► **To specify the sequential relationship among tasks.**
► To determine the required cycle time.
► To determine the minimum number of workstations.
► To determine the desired output

http://www.slidefinder.net/c/chapter_manufacturing_processes/25822455

Paper 6

MIDTERM EXAMINATION Spring 2010
MGT613- Production and operation management (Session - 3)

Question No: 1 (Marks: 1) - Please choose one
Which one of the following forms of productivity has units of output per shift?
► Capital
► Energy
► Labor
► Machine
Page#19 Labor Productivity Units of output per shift

Question No: 2 (Marks: 1) - Please choose one
All of the following are the decision areas of an operations manager EXCEPT:
► Inventory management
► Scheduling tasks
► Supply chain management
► Financial reporting
http://wiki.answers.com/Q/What_are_Operations_management_decisions

Question No: 3 (Marks: 1) - Please choose one
Which one of the following formulae can be used to compute value?
► (Quality + Speed – Flexibility) / Cost
► (Quality + Speed+ Flexibility) / Cost
► (Quality + Speed - Cost) / Flexibility
► (Quality + Speed+ Cost) / Flexibility
Value= Performance/Cost= (Quality +Speed+ Flexibility)/Cost_____ Eq. 1

Question No: 4 (Marks: 1) - Please choose one
Which of the following refers to the essential elements of operations strategy?
► Policies, tactics and objectives
► Plans, strategies and vision
► Mission, goals and plans
► Mission, policies and distinctive competencies
http://books.google.com/books?id=sW1FhvAHIWwC&pg=PA31&dq=Mission,+goals+and+plans+is+operation+strategy&hl=en&ei=AeSMTdv-J8HOrOfP2vngDQ&sa=X&oi=book_result&ct=result&resnum=10&ved=0CGAQ6AEwCQ#v=onepage&q=Mission%2C%20goals%20and%20plans%20is%20operation%20strategy&f=false **(page 31)**

Question No: 5 (Marks: 1) - Please choose one
As a manager, you have defined the purpose of the forecasts. What should be the **next** step in forecasting process?
► Choose a forecasting technique.
► Determine the purpose of the forecast.
► Set up a time horizon or a time limit.
► Collect and analyze the appropriate data.

Question No: 6 (Marks: 1) - Please choose one
Which one of the following forecasting techniques is used to identify a trend when data is neither growing nor declining rapidly and has no seasonal characteristics?
► Simple moving average
► Delphi method

► Trend adjusted forecast
► Naïve forecast

Ref**:The Moving Average model takes the average of several periods of data; the result is a dampened or smoothed data set; use this model when demand is stable and there is no evidence of a trend or seasonal pattern.**
http://docs.google.com/viewer?a=v&q=cache:d1D_zneuTfMJ:www.kf.vu.lt/~albud/progn/Erasmus/Engl-VU/ppt/General_Quantitative_forecasting_methods_in_library_management.ppt+forecasting+techniques+is+used+to+identify+a+trend+when+data+is+neither+growing+nor+declining+rapidly+and+has+no+seasonal+characteristics&hl=en&pid=bl&srcid=ADGEESg4H4O-NpULiPJqkwY9nZNHhO4G-oJhtEnTEyU7NPYzOKiUnWSpu9iFqs5CxIsf-Y45QRl7sSK_e9L0IKnoBMCuMyaXtjJWdhZEhnmaGVukQ5mUrFxLkCRhM8iOz8gS1dKjwny5&sig=AHIEtbSUhaGN_GXPBrAFvNkOaWVNAFlDxQ&pli=1

Question No: 7 (Marks: 1) - Please choose one
Which one of the following mathematical expressions is used to compute utilization?
► Actual output / effective capacity
► Actual output / design capacity
► Actual output + effective capacity
► Actual output -effective capacity

Question No: 8 (Marks: 1) - Please choose one
Effective capacity is influenced by all of the following factors **EXCEPT**:
► Facilities
► Product mix
► Processes
► Operations

Question No: 9 (Marks: 1) - Please choose one
Which one of the following is concerned with short term capacity needs?
► Cycle
► Trends
► Seasonality
► Average

(page 76)Long term capacity decisions relate to overall level of capacity while short term capacity decisions refer to seasonal, random or irregular variations in demand.

Question No: 10 (Marks: 1) - Please choose one
Which of the following statements is correct about capacity evaluating alternatives?
► Minimum cost and optimal operating rate are functions of size of plant
► Minimum cost and productivity are functions of size of plant.
► Maximum cost and optimal operating rate are functions of size of plant.

http://www.eng.uwi.tt/depts/mech/ugrad/courses/meng3006/Week005.pdf **(page 6)**

Question No: 11 (Marks: 1) - Please choose one
Which of the following is an example of a business that uses assembly line process structure?
► Automobile assembly
► Sugar refinery
► Heavy equipment
► French restaurants

Question No: 12 (Marks: 1) - Please choose one
Which of the following layout types is associated with a supermarket?

► Fixed position layout
► Process layout
► Product layout
► Cellular layout

(Q#2)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144918.cw/index.html

Question No: 13 (Marks: 1) - Please choose one
Which one of the following defines the range of the smoothing constant (Alpha)?
► 2 and -2
► 1 and -1
► 0 and -1
► 0 and 1

The value of α can be between 0 and 1.
http://nsdl.niscair.res.in/bitstream/123456789/829/1/CHAPTER-6+FORECASTING+TECHNIQUES-+Formatted.pdf (page 17)

Question No: 14 (Marks: 1) - Please choose one
Which method of forecasting is most widely used?
► Regression analysis
► Adaptive forecasting
► Weighted moving average
► Exponential smoothing

(Q#5)http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter9/multiple_choice_quiz.html

Question No: 15 (Marks: 1) - Please choose one
Which one of the following refers to a design that takes into account organization's operational capabilities, when designing a product?
► Design for assembly
► Design for manufacturing
► Design for recycling
► Design for disassembly

Page#51
Design for Manufacturing (DFM): The designers' consideration of the organization's manufacturing capabilities when designing a product. The more general term design for operations encompasses services as well as manufacturing

Question No: 16 (Marks: 1) - Please choose one
What would be the availability if a carpenter is expected to be able to operate for 300 hours between repairs, and the mean repair time is expected to be 2 hours?
► 6.02
► 2.0
► 0.99
► 0.006

Calculation: Availability = (MTBF)/(MTBF + MTR)
Where, MTBF = Mean time between factor =300
MTR = Mean repair time =2 hours
Availability = (300)/(300+2)
=300/302
= 0.99

Question No: 17 (Marks: 1) - Please choose one
Which of the following management level is responsible for long-range capacity planning?
► Lower management
► Middle management
► Top management
► Non managerial employees
Question No: 18 (Marks: 1) - Please choose one
Which of the following is NOT an emerging trend in the workplace?
► Increasing workplace diversity
► Decreasing work schedule flexibility
► Increasing number of part time jobs
► Increasing use of temporary labor
http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html
Question No: 19 (Marks: 1) - Please choose one
Which one of the following is NOT a business application of forecasting?
► Budgeting
► Capacity planning
► Inventory management
► Quality control

Page#31 Forecasting in business forms the basis for budgeting and planning for capacity, sales, production, inventory, manpower, purchasing and more.

Question No: 20 (Marks: 1) - Please choose one
Which one of the following is an example of site related factors that affect location decision?
► Transportation
► Quality of life
► Location of new markets
► Location of raw materials
Ref: Site Related Factors
•Land
•Transportation
•Environmental
•Legal
Question No: 21 (Marks: 1) - Please choose one
Which one of the following is TRUE about work sampling?
► It describes individual human motions that are used in a job task
► It involves determining the length of time it will take to undertake a particular task
► It involves determining the amount of time a worker spends on various activities
► It provides standard times for micro motions such as reach, move and release
Reference
Question No: 22 (Marks: 1) - Please choose one
Services differ from manufacturing in all the following ways EXCEPT:
► Customers typically interact directly with the service delivery process.
► Consumption and production take place simultaneously.
► Services are intangible.

► Services can be stored.

Question No: 23 (Marks: 1) - Please choose one

Which of the following is **NOT** an attribute to classify services?

► Tangibility

► Perishability

► Simultaneity

► Courtesy

http://docs.google.com/viewer?a=v&q=cache:7CDmM-nQZpAJ:www.ucl.ac.uk/aua/documents/presentation051121.doc+Which+of+the+following+is+NOT+an+attribute+to+classify+services%3F+%E2%96%BA+Tangibility+%E2%96%BA+Perishability+%E2%96%BA+Simultaneity+%E2%96%BA+Courtesy&hl=en&pid=bl&srcid=ADGEESg10-3lJxDH8AciWfIoIat35RS0eFgLebwtwddEKTn5__RpeOKNqCbMoog8GlTDrMTtHCCMeMeCzMEuNcTA7B_xrGGEUBuaTFSFWrNNUwqRlRvWJjrmN6w7IBgTMvCOKM-PLn_w&sig=AHIEtbT1KoiQSji6Op5beCjeP1V4mKOPQQ

Question No: 24 (Marks: 1) - Please choose one

Organizational strategies relate to which of the following sets of factors?

► Survival, profitability, growth rate and market share

► Profitability, survival, lead times and target market

► Quality, operating resources, growth rate and market share

► Scheduling, profitability, lead times and survival

Question No: 25 (Marks: 1) - Please choose one

The purpose of _____ is to coordinate and control all the required sources so that productive system can be used efficiently and to ensure the delivery of product in time.

► Total quality control

► Demand management

► Forecasting

► Operations management

Question No: 26 (Marks: 1) - Please choose one

Which one of the following forecasting methods uses subjective inputs such as opinions from consumer surveys, sales staff, managers and experts?

► Time series model

► Least Square method

► Judgmental forecasting model

► Associative forecasting model

Page# 35 · Judgmental - uses subjective inputs meaning that a judgmental forecast rely on analysis of subjective inputs obtained from various sources, such as consumer surveys, the sales staff, managers and executives, and panels of experts. These insights are not available publicly.

Question No: 27 (Marks: 1) - Please choose one

Which one of the following refers to translating the voice of the customer into technical design requirements?

► Concurrent design

► Design for manufacture

► Robust design

► Quality function deployment

Question No: 28 (Marks: 1) - Please choose one

Which one of the following statements represents use of cost-volume analysis?

► It is a tool for reliability measurement
► It provides a base for marketing research
► It helps in comparing capacity alternatives
► It is important in product design
Page#73 Cost Volume Relationship focuses on relationships between costs, revenue and volume of output. The primary purpose of cost volume analysis is to estimate the income of an organization under different operating conditions. It is particularly useful as a tool for comparing capacity alternatives.

Paper 7

MIDTERM EXAMINATION
Spring 2009
MGT613- Production / Operations Management (Session - 1)

Question No: 1 (Marks: 1) - Please choose one
A business process is a logical set of tasks or activities that:
Are specific to the operations function
Are specific to the marketing function
Are interdependent with other processes
Have exactly the same performance measures for any process
Question No: 2 (Marks: 1) - Please choose one
Which one of the following formulae can be used to compute value?
(Quality + Speed – Flexibility) / Cost
(Quality + Speed+ Flexibility) / Cost
(Quality + Speed - Cost) / Flexibility
(Quality + Speed+ Cost) / Flexibility
Question No: 3 (Marks: 1) - Please choose one
Which of the following is referred to as plans for achieving goals?
Rules
Strategies
Policies
Mission
(page 17)
http://books.google.com/books?id=vM1jhhj5Bt0C&pg=PA16&lpg=PA16&dq=is+referred+to+as+plans+for+achieving+goals?++++Rules++Strategies++Policies++Mission&source=bl&ots=DlRSEcFeOt&sig=MzEde7IJX7ncidg8QiQMHdYy1hA&hl=en&ei=I2p3TY2mDMXnrAfF7vW_Cg&sa=X&oi=book_result&ct=result&resnum=5&ved=0CDYQ6AEwBA#v=onepage&q&f=false
Question No: 4 (Marks: 1) - Please choose one
Which of the following statements corresponds to an order-winning characteristic?
A factor which may be significant in other parts of the organization
A factor which gives an organization a competitive edge
A factor which serves as a minimum standard for purchase
A factor which increases the profitability of the organization
Question No: 5 (Marks: 1) - Please choose one
To make operations strategy effective it should be:

Independent of the organization's strategy
Consistent with the organization's strategy
Developed by a first line manager
Independent of time dimension
page#14 Operations strategy – The approach, consistent with organization strategy that is used to guide the operations function
Question No: 6 (Marks: 1) - Please choose one
Which one of the following techniques uses historical data to predict future value of a variable of interest?
Time series method
Causal forecasting method
Qualitative forecasting method
Intuitive forecasting method
***(page 35)Time series* - uses historical data assuming the future will be like the past and depend on developing relationships between variables that can be expressed to predict future values. future**
Question No: 7 (Marks: 1) - Please choose one
Which one of the following forecasting techniques uses explanatory variables to predict future demand?
Associative forecast
Time series forecast
Consumer survey
Executive opinion
(Handout page 35) *Associative models* - uses explanatory variables to predict the future for example demand for a small car may be dependant upon increase in price of petrol or CNG
Question No: 8 (Marks: 1) - Please choose one
Which one of the following involves completing a series of questionnaires each developed from the previous one, to achieve a consensus forecast?
Consumer surveys
Executive opinion
Time series forecast
Delphi method
(page 35) Managers and staff complete a series of questionnaires, each developed from the previous one, to achieve a consensus forecast.
Question No: 9 (Marks: 1) - Please choose one
In which one of the following situations, the use of a decision tree is required instead of a payoff table?
When there are more than three states of nature
When there are more than three decision payoffs
When the decision situation encompasses an extended time period
When a series of decisions is required
http://flylib.com/books/en/3.287.1.160/1/
If a decision situation requires a series of decisions, then a payoff table cannot be created, and a decision tree becomes the best method for decision analysis.
Question No: 10 (Marks: 1) - Please choose one
Which one of the following is an outcome of Maximin criterion?

The best of the worst possible payoff
The best possible payoff
The best average payoff
The least of the worst regrets
(page 55)
http://books.google.com.pk/books?id=EXD1O7KwfD0C&pg=PA55&lpg=PA55&dq=Which+one+of+the+following+is+an+outcome+of+MINIMAX+regret?++++++++%E2%96%BA+The+best+of+the+worst+possible+payoff++++++++%E2%96%BA+The+best+possible+payoff++++++++%E2%96%BA+The+best+average+payoff+++++++%E2%96%BA+The+least+of+the+worst+regret&source=bl&ots=n8rZ7KlSlc&sig=L_d_kBf7Z3w7Ow2Z1y4QY6rBCiM&hl=en&ei=q093TbzSBtC2hAf46vCKAg&sa=X&oi=book_result&ct=result&resnum=7&ved=0CEYQ6AEwBg#v=snippet&q=Maximin%20&f=false

http://books.google.com/books?id=_aZmzdlrBZMC&pg=PA278&dq=Which+one+of+the+following+is+an+outcome+of+Maximin+criterion?&hl=en&ei=WHB3TdW3OorJrAfctIDACg&sa=X&oi=book_result&ct=result&resnum=3&ved=0CDQQ6AEwAg#v=onepage&q&f=false
Question No: 11 (Marks: 1) - Please choose one
Given the table:
Possible Alternatives future demand

	Low (Rs.)	High (Rs.)
Small facility	10,000	8,000
Medium facility	12,000	20,000
Large facility	18,000	15,000

Which one of the following is the correct payoff under LAPLACE approach?
Rs. 9,000
Rs. 16,000
Rs. 33,000
Rs. 16,500
Question No: 12 (Marks: 1) - Please choose one
Which one of the following is called as the difference between designed and utilized capacity?
Design capacity(not sure)
Effective capacity
Buffer capacity
Utilization rate
Question No: 13 (Marks: 1) - Please choose one
Which one of the following mathematical expressions is used to compute utilization?
Actual output / effective capacity
Actual output / design capacity
Actual output + effective capacity
Actual output - design capacity
(Handout page 66)
Question No: 14 (Marks: 1) - Please choose one

Which of the following terms of financial analysis are important for the organization to proceed with a capacity alternative decision?
Cash flow and fixed cost
Present value and fixed cost
Cash flow and present value
Cash flow and profit
(page 76)Capacity alternatives are often evaluated with the aid of certain financial analyses. Operations manager along with managerial accountant often work to calculate what cash flow or present value
Question No: 15 (Marks: 1) - Please choose one
Which one of the following is the first step in line balancing?
Specify the sequential relationship among tasks.
Determine the required cycle time.
Determine the minimum number of workstations.
Determine the desired output
Question No: 16 (Marks: 1) - Please choose one
Which one of the following layout types is associated with car assembly?
Fixed position layout
Process layout
Product layout
Hybrid layout
Product – Layout should suit to the nature of product and its method of production. i.e. aircraft manufacturing and car manufacturing layouts will be different. Sales also affects the layout.
http://www.scribd.com/doc/7369836/Facility-Layout
Question No: 17 (Marks: 1) - Please choose one
What would be the required cycle time for a process that operates 9 hours daily with a desired output of 300 units per day?
0.03 minutes
1.8 minutes
2700 minutes
291 minutes
Question No: 18 (Marks: 1) - Please choose one
What would be the output capacity if an assembly line operates for 7 hours per day with a cycle time of 2.0 minutes?
210 units per day
3.5 units per day
0.004 units per day
14 units per day
Question No: 19 (Marks: 1) - Please choose one
Which of the following probability distribution is used most extensively in dealing with forecasting errors?
Normal
Exponential
Beta
Pareto

(question 10)http://highered.mcgraw-hill.com/sites/0072443901/student_view0/chapter3/self_quiz_from_cd.html
Question No: 20 (Marks: 1) - Please choose one
Which of the following takes into consideration the design of aesthetics of the product?
Functional design
Production design
Service design
Product design
Question No: 21 (Marks: 1) - Please choose one
Which of the following factors are considered in product and service design?
Customer satisfaction, quality, and improvement costs
Employee motivation, quality, and production costs
Customer satisfaction, flexibility, and production costs
Customer satisfaction, quality, and production costs
Page#44
A good product/service design can ensure customer satisfaction, quality and production costs
Question No: 22 (Marks: 1) - Please choose one
An automatic car wash is an example of which of the following?
Customized service
Batch processing
Intermittent processing
Standardized service
Standardized service implies that every customer or item processed receives essentially the same service. An automatic car wash is a good example; each car, regardless of how clean or dirty it is, receives the same service. Standardized processes deliver standardized service or produce standardized goods.
http://highered.mcgraw-hill.com/sites/dl/free/0070911894/90584/2ndSampleCh4.pdf
Question No: 23 (Marks: 1) - Please choose one
Which of the following is an advantage of standardization?
Frozen designs
Customized parts
Interchangeable parts
Reduced variety
http://docs.google.com/viewer?a=v&q=cache:irU_blx_IywJ:zonecours.hec.ca/documents/H2011-1-2179442.Session7-ProductandProcessDesign.ppt+is+an+advantage+of+standardization%3F+Frozen+designs+Customized+parts+Interchangeable+parts+Reduced+variety&hl=en&pid=bl&srcid=ADGEESiRCjPPEGCrPoJ5gKeS4jDJi5K2y58gT-tmkGTpUwD2zUUcK2A-JHjO6KXoo3NaS3fYTbXPJFnxrTsh8_gHAMewUhhTMF3zs0Z3DTqgQD54mBQclpeFRV6Xcc2E6GqxGnf7J_s1&sig=AHIEtbSvIibe8xH8bREtNxavtACqS7Idfg
Slides#11 and 13
Question No: 24 (Marks: 1) - Please choose one
Which one of the following is the most significant disadvantage of standardization?
Reduced design costs
Interchangeable parts

Reduced variety
Customized parts
(slide 14)
http://docs.google.com/viewer?a=v&q=cache:irU_blx_IywJ:zonecours.hec.ca/documents/H2011-1-2179442.Session7-ProductandProcessDesign.ppt+is+an+advantage+of+standardization%3F+Frozen+designs+Customized+parts+Interchangeable+parts+Reduced+variety&hl=en&pid=bl&srcid=ADGEESiRCjPPEGCrPoJ5gKeS4jDJi5K2y58gT-tmkGTpUwD2zUUcK2A-JHjO6KXoo3NaS3fYTbXPJFnxrTsh8_gHAMewUhhTMF3zs0Z3DTqgQD54mBQclpeFRV6Xcc2E6GqxGnf7J_s1&sig=AHIEtbSvIibe8xH8bREtNxavtACqS7Idfg
Question No: 25 (Marks: 1) - Please choose one
Product life cycle is based on which of the following components?
Place
Demand
Supply
Price
http://books.google.com.pk/books?id=dKyihzhquckC&pg=PA35&dq=Product+life+cycle+is+based+on+which+of+the+following+components?++Place++Demand++Supply++Price&hl=en&ei=VHl3TavzE4r5rQfTqtW_Cg&sa=X&oi=book_result&ct=result&resnum=2&ved=0CCwQ6AEwAQ#v=onepage&q&f=false
Question No: 26 (Marks: 1) - Please choose one
Which one of the following is the final stage of product life cycle?
Growth
Decline
Maturity
Planning
Question No: 27 (Marks: 1) - Please choose one
Which one of the following statements relates to the final stage of product life cycle?
Improve reliability, and reduce production costs
Improve packaging, and reliability
Improve reliability, and reduce quality
Improve reliability, and reduce promotion costs
http://docs.google.com/viewer?a=v&q=cache:irU_blx_IywJ:zonecours.hec.ca/documents/H2011-1-2179442.Session7-ProductandProcessDesign.ppt+is+an+advantage+of+standardization%3F+Frozen+designs+Customized+parts+Interchangeable+parts+Reduced+variety&hl=en&pid=bl&srcid=ADGEESiRCjPPEGCrPoJ5gKeS4jDJi5K2y58gT-tmkGTpUwD2zUUcK2A-JHjO6KXoo3NaS3fYTbXPJFnxrTsh8_gHAMewUhhTMF3zs0Z3DTqgQD54mBQclpeFRV6Xcc2E6GqxGnf7J_s1&sig=AHIEtbSvIibe8xH8bREtNxavtACqS7Idfg
Question No: 28 (Marks: 1) - Please choose one
Which of the following refers to translate the voice of the customer into technical design requirements?
Concurrent design
Design for manufacture
Robust design
Quality functional deployment

(page43)
http://books.google.com.pk/books?id=ecCBaLGmSX4C&pg=PA43&dq=voice+of+the+customer+into+technical+design+requirements&hl=en&ei=9s10TbD_AcW28QP3paWvCA&sa=X&oi=book_result&ct=result&resnum=2&ved=0CCsQ6AEwAQ#v=onepage&q=voice%20of%20the%20customer%20into%20technical%20design%20requirements&f=false

Question No: 29 (Marks: 1) - Please choose one
Which one of the following is correct about the range of availability on a measuring index?
0.1 to 1.0
0 to 1.0
0.5 to 1.0
0.01 to 1.0
http://books.google.com.pk/books?id=aN9EbTuCve0C&pg=PA78&dq=range+of+availability+on+a+measuring+index&hl=en&ei=AXt3TezSJMLSrQef1MS_Cg&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDIQ6AEwAQ#v=onepage&q&f=false

Question No: 30 (Marks: 1) - Please choose one
What would be the availability if a carpenter is expected to be able to operate for 250 hours between repairs, and the mean repair time is expected to be 3 hours?
1.01
5.03
3.0
0.98
Availability = (MTBF)/(MTBF + MTR)

Question No: 31 (Marks: 1) - Please choose one
Capacity planning involves answering all of the following questions EXCEPT:
What kind of capacity is needed?
How much is needed?
When is it needed?
Who is going to decide?
P--64
1. What kind of capacity is needed?
2. How much is needed?
3. When is it needed?

Question No: 32 (Marks: 1) - Please choose one
The disadvantages of specialization to management include all of the following EXCEPT:
More absenteeism
Minimum responsibility
More turnovers
More difficult to teach the job

http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html

Question No: 33 (Marks: 1) - Please choose one

Which one of the following refers to a team having representatives from different functional areas of the organization?
Traditional work group
Self-directed team
Cross-functional team
Self motivated team
(page 109)
http://books.google.com.pk/books?id=G9fVHnQRiMcC&pg=PA109&dq=a+team+having+representatives+from+different+functional+areas+of+the+organization?&hl=en&ei=ViB2TeHcK4SRswaopaH4BA&sa=X&oi=book_result&ct=result&resnum=2&ved=0CCwQ6AEwAQ#v=onepage&q=ross-functional%20team%20containing%20representatives&f=false
Question No: 34 (Marks: 1) - Please choose one
Which one of the following refers to the length of time needed to complete a job?
Work sampling methods
Work measurement
Job design
Methods analysis
(page 90) Work Measurement determines how long it should take to do a job.
Question No: 35 (Marks: 1) - Please choose one
Which one of the following location strategies follows a decentralized approach?
Process plant strategy
Market area plant strategy
Cost conservation strategy
Product plant strategy
http://www.scribd.com/doc/50297174/11/Multiple-Plant-Strategies
Question No: 36 (Marks: 1) - Please choose one
Which one of the following location strategies is favored by automobile manufacturers?
Product plant strategy
Process plant strategy
Market area plant strategy
Cost conservation strategy
(page 369)
http://books.google.com.pk/books?id=tqVIT0xE4NAC&pg=PA369&dq=Process+plant+strategy+is+favored+by+automobile+manufacturers&hl=en&ei=rCh2TZWRE4qTswaD1oCFBQ&sa=X&oi=book_result&ct=result&resnum=1&sqi=2&ved=0CCsQ6AEwAA#v=onepage&q&f=false
Question No: 37 (Marks: 1) - Please choose one
Which of the following refers to bringing together engineering design and manufacturing personnel early in the design phase.
Reverse engineering
Concurrent engineering
Manufacturability
Serviceability
(Handout page 53) Concurrent engineering is the bringing together of engineering design and manufacturing personnel early in the design phase.
Question No: 38 (Marks: 1) - Please choose one

Which of the following is the primary input in capacity planning?
Supply chain capabilities
Competitors' strengths
Demand forecasts
Overall cost estimates
(page 31)A statement about the future value of a variable of interest such as resource requirements, capacity planning, SCM and product or service demand
Question No: 39 (Marks: 1) - Please choose one
Which of the following best describes the concept of the value chain?
The step-wise increases in product prices as raw materials are turned into goods/services
Adding financial value to an organization through the acquisition of other firms
A sequence of activities that involve movement of materials in a production facility
All steps in the transformation process that add value even if they don't come from manufacturing
(Q#12) http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter1/multiple_choice_quiz.html
Question No: 40 (Marks: 1) - Please choose one
The Strategies which are more focused on maintaining or improving the quality of an organization's products or services are known as:
Quality at the source
Time based strategies
Cost leadership strategies
Quality-based strategies
Page#18 •Quality-based strategies
Ø Focuses on maintaining or improving the quality of an organization's products or services

Paper 8

MIDTERM EXAMINATION
Spring 2009
MGT613- Production / Operations Management (Session - 2)

Question No: 1 (Marks: 1) - Please choose one
Which one of the following forms of productivity has units of output per dollar input?
Capital
Energy
Labor
Machine
Question No: 2 (Marks: 1) - Please choose one
What would be the productivity if a machine produced 50 units in 3 hours?
0.066 units per hr
16.66 units per hr

6.766 units per hr
60.66 units per hr
50/3=16.66
Question No: 3 (Marks: 1) - Please choose one
The major business function consisting of research and development, product design, manufacturing, marketing, distribution, and customer service is refers to:
Value chain
The transformation process
Quality control
Life cycle
http://books.google.com.pk/books?id=f5p17Sz5NLMC&pg=PA379&lpg=PA379&dq=of+research+and+development,+product+design,+manufacturing,+marketing,+distribution,+and+customer+service+is+refer+to+life+cycle&source=bl&ots=RMJzKlWMHc&sig=xTlAlvhI2ADkAdSG61mOISidtqE&hl=en&ei=5h9yTYa1NY3krAevra3SCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CBcQ6AEwAA#v=onepage&q&f=false
Page#379
Question No: 4 (Marks: 1) - Please choose one
Which of the following is NOT usually considered a general characteristic of a service?
Production and sales cannot easily be separated functionally
Many services involve both tangible and intangible outputs
Production and consumption can always be separated
Degree of customer contact is high
http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4471/1144826.cw/index.htmlQ#6
Question No: 5 (Marks: 1) - Please choose one
Which of the following statements corresponds to an order-winning characteristic?
A factor which may be significant in other parts of the organization
A factor which gives an organization a competitive edge
A factor which serves as a minimum standard for purchase
A factor which increases the profitability of the organization
(Handout page 15)order winners are the characteristics of an organization's services that cause it to be perceived as better than the competitors services
Question No: 6 (Marks: 1) - Please choose one
Which one of the following is an implication of Laplace approach of decision making?
The best of the worst possible payoff
The best possible payoff
The best average payoff
The least of the worst regrets
Page#27
Determines the Average payoff for each alternative
Ø And chooses the alternative with the best average.
Ø This is a cautious approach
Ø Laplace approach treats the states of nature as equally likely
Question No: 7 (Marks: 1) - Please choose one
Which one of the following is an outcome of Maximin criterion?

The best of the worst possible payoff
The best possible payoff
The best average payoff
The least of the worst regrets
http://books.google.com.pk/books?id=EXD1O7KwfD0C&pg=PA55&lpg=PA55&dq=Which+one+of+the+following+is+an+outcome+of+MINIMAX+regret?++++++++%E2%96%BA+The+best+of+the+worst+possible+payoff++++++++%E2%96%BA+The+best+possible+payoff++++++++%E2%96%BA+The+best+average+payoff+++++++%E2%96%BA+The+least+of+the+worst+regret&source=bl&ots=n8rZ7KlSlc&sig=L_d_kBf7Z3w7Ow2Z1y4QY6rBCiM&hl=en&ei=q093TbzSBtC2hAf46vCKAg&sa=X&oi=book_result&ct=result&resnum=7&ved=0CEYQ6AEwBg#v=snippet&q=Maximin%20&f=false
Question No: 8 (Marks: 1) - Please choose one
Given the table:
Possible Alternatives future demand
Low (Rs.) High (Rs.)
Small facility 10,000 8,000
Medium facility 12,000 20,000
Large facility 18,000 15,000
Which one of the following is the correct payoff under MAXIMIN approach?
Rs. 8,000
Rs. 12,000
Rs. 18,000
Rs. 20,000
Question No: 9 (Marks: 1) - Please choose one
Which one of the following forecasting techniques is used to identify a trend when data is neither growing nor declining rapidly and has no seasonal characteristics?
Simple moving average
Delphi method
Trend adjusted forecast
Naïve forecast
http://books.google.com/books?id=d3eREcsD35sC&pg=PA558&dq=trend+when+data+is+neither+growing+nor+declining+rapidly+and+has+no+seasonal+characteristics&hl=en&ei=zVWOTZykAoumvQPP57SmDQ&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCkQ6AEwAA#v=onepage&q=trend%20when%20data%20is%20neither%20growing%20nor%20declining%20rapidly%20and%20has%20no%20seasonal%20characteristics&f=false (page 558)
Question No: 10 (Marks: 1) - Please choose one
Which one of the following refers to the maximum output that a firm can produce under ideal conditions?
Design capacity
Effective capacity
Capacity planning
Utilization rate
Page#66,Design capacity is the maximum output rate or service capacity an operation, process, or facility.

Other ref:
http://www.scribd.com/doc/11569237/Capacity-PlanningPage#7
(Q#9)http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4472/1144974.cw/index.html
Question No: 11 (Marks: 1) - Please choose one
Which one of the following perspectives is the most obvious to be considered while evaluating alternatives for future capacity?
Social
Political
Economic
Legal
http://books.google.com.pk/books?id=tqVIT0xE4NAC&pg=PA192&dq=Economic+perspectives+evaluating+alternatives+for+future+capacity&hl=en&ei=1o13TfntIoKCOrSY1McB&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCcQ6AEwAA#v=onepage&q=Economic%20perspectives%20evaluating%20alternatives%20for%20future%20capacity&f=false
Question No: 12 (Marks: 1) - Please choose one
Which of the following terms of financial analysis are important for the organization to proceed with a capacity alternative decision?
Cash flow and fixed cost
Present value and fixed cost
Cash flow and present value
Cash flow and profit
(page 76)Capacity alternatives are often evaluated with the aid of certain financial analyses. Operations manager along with managerial accountant often work to calculate what cash flow or present value
Question No: 13 (Marks: 1) - Please choose one
Which one of the following manufacturing process is associated with high volume car manufacture?
Job shop
Assembly line
Batch
Automation
http://en.wikipedia.org/wiki/Assembly_line
Question No: 14 (Marks: 1) - Please choose one
The formula for determining the required cycle time is operation time per day divided by:
Sum of task times
Actual output per day (in units)
Number of workstation
Desired output (in units)
Question No: 15 (Marks: 1) - Please choose one
Assembly lines relate most closely to a:
Functional layout
Product layout
Process layout
Departmental layout

(Q#7)http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter8/multiple_choice_quiz.html

Question No: 16 (Marks: 1) - Please choose one

Which one of the following layout type is associated with a restaurant?

Fixed position layout

Process layout

Product layout

Hybrid layout

http://books.google.com/books?id=sWtlOeC-3pEC&pg=PA111&lpg=PA111&dq=following+layout+type+is+associated+with+a+restaurant?+++%09Fixed+position+layout++%09Process+layout++%09Product+layout++%09Hybrid+layout&source=bl&ots=sKhwhoT_jf&sig=QT8hpUDBj8MAKX_WQYluvYycPy4&hl=en&ei=NcN0TerPC4W8rAf5ytnRCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CCkQ6AEwAw#v=onepage&q&f=false

Question No: 17 (Marks: 1) - Please choose one

Which of the following forecasting technique is based on the assumption that past data is more indicative of the future than the most recent occurrences?

Exponential smoothing

Linear regression

Judgmental forecast (not sure)

Naive forecast

http://books.google.com/books?id=dNThzoekGQcC&pg=PA191&dq=Judgmental+forecast+technique+is+based+on+the+assumption+that+past+data+is+more+indicative+of+the+future+than+the&hl=en&ei=Ish0TYidH4HPrQf9q4XSCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDUQ6AEwAw#v=onepage&q&f=false

Question No: 18 (Marks: 1) - Please choose one

In exponential smoothing model, a denotes:

Smoothing constant

Actual forecast

Forecast error

Previous forecast

Page#40

Exponential Smoothing Model

a = Alpha smoothing constant

Question No: 19 (Marks: 1) - Please choose one

Which of the following takes into consideration the design of aesthetics of the product?

Functional design

Production design

Service design

Product design

http://books.google.com.pk/books?id=CFlyglsIINYC&pg=PA40&dq=design+of+aesthetics+of+the+product&hl=en&ei=gdZzTaWSNM6O4gb8pc3JDQ&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDkQ6AEwAw#v=onepage&q=ROLE%20OF%20AESTHETICS%20IN%20PRODUCT%20DESIGN%20Considering%20the%20importance%20of%20aesthetics&f=false

Product design (i.e., industrial design) is perhaps most associated with aesthetic considerations (Bel Geddes 1934, pp. 222-241).
http://www.acrwebsite.org/volumes/display.asp?id=7824
Question No: 20 (Marks: 1) - Please choose one
Which of the following factors are considered in product and service design?
Customer satisfaction, quality, and improvement costs
Employee motivation, quality, and production costs
Customer satisfaction, flexibility, and production costs
Customer satisfaction, quality, and production costs
Page#44.A good product/service design can ensure customer satisfaction, quality and production costs
Question No: 21 (Marks: 1) - Please choose one
Which one of the following is the overall objective of product and service design?
Customer satisfaction and variety
Customer satisfaction and profitability
Reliability and variety
Quality and reliability
Page#44,Importance of Product/Service Design
Product/Service design plays a strategic role in helping an organization achieve its goals. A good product/service design can ensure customer satisfaction, quality and production costs
Question No: 22 (Marks: 1) - Please choose one
CBR stands for which one of the following?
Commercial board of revenue
Central board of recycling
Central board of renovation
Central board of revenue
Question No: 23 (Marks: 1) - Please choose one
Which one of the following designs resists modifications?
Frozen design (not sure)
Product design
Service design
Robust design
Question No: 24 (Marks: 1) - Please choose one
Which one of the following is a curve showing failure rate over time?
Cost curve
Bath tub curve
Fish bone diagram
Reliability curve
Question No: 25 (Marks: 1) - Please choose one
Which of the following management level is responsible for long-range capacity planning?
Lower management
Middle management
Top management
Non managerial employees

REF:
*** Require an extensive knowledge of management roles and skills.**
*** They have to be very aware of external factors such as markets.**
*** Their decisions are generally of a long-term nature**
*** Their decisions are made using analytic, directive, conceptual and/or behavioral/participative processes**
http://en.wikipedia.org/wiki/Management

Question No: 26 (Marks: 1) - Please choose one
Capacity planning involves answering all of the following questions EXCEPT:
What kind of capacity is needed?
How much is needed?
When is it needed?
Who is going to decide?
Page#64
1.What kind of capacity is needed?
2. How much is needed?
3. When is it needed?

Question No: 27 (Marks: 1) - Please choose one
The advantages of specialization to management include all of the following EXCEPT:
Rapid training of the workforce
Ease in recruiting new workers
Fewer turnovers
Less boredom for workers
http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html
Q#5

Question No: 28 (Marks: 1) - Please choose one
The disadvantages of specialization to management include all of the following EXCEPT:
More absenteeism
Minimum responsibility
More turnovers
More difficult to teach the job
http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html
Q#6

Question No: 29 (Marks: 1) - Please choose one
Technology has impacted the work place by:
Adding to the existing geographical barriers for recruiting
Increasing the cost of telecommuting
Increasing the amount required to be spent on training
Unifying the workforce to a common skill level
http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html
Q#10

Question No: 30 (Marks: 1) - Please choose one

Which of the following can be used to compute standard time?
Multiplying the elemental average time by the rating factor
Dividing the average elemental time by the rating factor
Multiplying the normal cycle time by the rating factor
Multiplying the normal cycle time by one plus the allowance factor
P#92, Standard Time=ST=NT X AF is the normal time plus allowance for delays like (getting a glass of water or going to the washroom human needs)
Question No: 31 (Marks: 1) - Please choose one
Which one of the following is the focus of predetermined motion time system?
Individual human motions that are used in a job task
Determining the length of time it will take to undertake a particular task
Determining the amount of time a worker spends on various activities
Providing standard times for micro motions such as reach, move and release
http://books.google.com.pk/books?id=D0P0WX-nz6YC&pg=PA81&lpg=PA81&dq=Providing+standard+times+for+micro+motions+such+as+reach,+move+and+release&source=bl&ots=t5dQaHE5I7&sig=DPL7SZIhD33Bt5lSdfygBD3F0NY&hl=en&ei=El2OTbTBOcyPcbfz7ZcK&sa=X&oi=book_result&ct=result&resnum=6&ved=0CDoQ6AEwBQ#v=onepage&q&f=false (page 81)
Question No: 32 (Marks: 1) - Please choose one
Which one of the following is an example of community factors that affect location decisions?
Transportation
Quality of life
Location of new markets
Location of raw materials
Page#96Community Considerations
□ Quality of life
□ Services
□ Attitudes
□ Taxes
□ Environmental regulations
□ Utilities
□ Developer support
Question No: 33 (Marks: 1) - Please choose one
Which one of the following is an example of site related factors that affect location decision?
Transportation
Quality of life
Location of new markets
Location of raw materials
Page#96
Site Related Factors
•Land
•Transportation
•Environmental
•Legal

Question No: 34 (Marks: 1) - Please choose one
Which one of the following location strategies follows a decentralized approach?
Process plant strategy
Market area plant strategy
Cost conservation strategy
Product plant strategy
Question No: 35 (Marks: 1) - Please choose one
Which of the following is the primary input in capacity planning?
Supply chain capabilities
Competitors' strengths
Demand forecasts
Overall cost estimates
(Handouts Page#31)And other ref:
For conventional goods, demand forecasts are used to set safety stock and replenishment levels; to drive procurement, especially of long lead-time items; to establish production plans; and as input to capacity and financial planning processes. In services, demand forecasts are used primarily for financial planning, capacity and workforce planning.
Question No: 36 (Marks: 1) - Please choose one
Which of the following statements would generally be considered as correct job shop?
A continuous process has lower output volume as compared to job shop
Equipment flexibility is lower in job shop than that of a continuous process
Labour costs are higher in a Job Shop operation than in most other processes
Batch processing produces a more standard range of products than continuous flow processes
http://www.gorecroot.com/Questionpaper/ProcessdesigninOperationManagement.aspx
Another
http://books.google.com.pk/books?id=tqVIT0xE4NAC&pg=PA232&dq=Labor+costs+are+higher+in+a+Job+Shop+operation+than+in+most+other+processes&hl=en&ei=Oit2TeOpEsOsrAepxrG_Cg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCsQ6AEwAA#v=onepage&q=Labor%20costs%20are%20higher%20in%20a%20Job%20Shop%20operation%20than%20in%20most%20other%20processes&f=false
Question No: 37 (Marks: 1) - Please choose one
Which one of the following is TRUE about work sampling?
It describes individual human motions that are used in a job task
It involves determining the length of time it will take to undertake a particular task
It involves determining the amount of time a worker spends on various activities
It provides standard times for micro motions such as reach, move and release
Work Sampling is the statistical technique for determining the proportion of time spent by workers in various defined categories of activity (e.g. setting up a machine, assembling two parts, idle…etc
http://en.wikipedia.org/wiki/Work_sampling
Question No: 38 (Marks: 1) - Please choose one
Services differ from manufacturing in all the following ways EXCEPT:

Customers typically interact directly with the service delivery process.
Consumption and production take place simultaneously.
Services are intangible.
Services can be stored.
http://wiki.answers.com/Q/How_do_service_operations_differ_from_manufacturing_operations
Question No: 39 (Marks: 1) - Please choose one
_____ Purpose is to coordinate and control all the required sources so that productive system can be used efficiently and to ensure the delivery of product in time.
Total quality control's
Demand management's
Forecasting's
Operations management's
Question No: 40 (Marks: 1) - Please choose one
Forecasting for groups tend to be more accurate than forecasting for individual items because:
A group is composed of a number of items
A group exhibits a uniform behavior
A group cancels the forecasting errors among items
A group behavior is relatively less uncertain
Page#33·Forecasts more accurate for groups vs. individuals naturally because forecasting errors in a group tend to cancel out forecasting errors for individuals.

Paper 9

MGT613 mid 2010

Question No: 1 (Marks: 1) - Please choose one

Who developed the use of standardization in large-scale mass production using a moving assembly line?

► Frederick Winslow Taylor

► Frank Gilbreth

► Adam Smith

► Henry Ford

http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter1/multiple_choice_quiz.html Q#5

Question No: 2 (Marks: 1) - Please choose one

Which one of the following forms of productivity has units of output per shift?

► Capital

► Energy

► Labor

► Machine

Page#19 Labor Productivity: Units of output per shift

Question No: 3 (Marks: 1) - Please choose one

Which one of the following forms of productivity has units of output per dollar input?

► Capital

► Energy

► Labor

► Machine

http://www.google.com.pk/#sclient=psy&hl=en&q=Which+one+of+the+following+forms+of+productivity+has+units+of+output+per+dollar+input%3F+%E2%96%BACapital+%E2%96%BAEnergy+%E2%96%BALabor+%E2%96%BAMachine&aq=f&aqi=&aql=&oq=&pbx=1&fp=2c62c1a3e8f07f33

See slides and slide#9

Question No: 4 (Marks: 1) - Please choose one

Which one of the following is a measure of productivity that involves measuring inputs and outputs using a common unit of measurement?

► Multifactor

► Partial

► Single

► Total

Question No: 5 (Marks: 1) - Please choose one

What would be the productivity if 9 workers installed 650 square yards of carpeting in 6 hours?

► 12.03 square yards/hr
► 72.20 square yards/hr
► 108.30 square yards/hr
► 5850 square yards/hr
Question No: 6 (Marks: 1) - Please choose one

Which one of the following formulae can be used to compute value?

► (Quality + Speed – Flexibility) / Cost

► (Quality + Speed+ Flexibility) / Cost

► (Quality + Speed - Cost) / Flexibility

► (Quality + Speed+ Cost) / Flexibility

Question No: 7 (Marks: 1) - Please choose one

All of the following are examples of quantitative forecasting EXCEPT:

► Delphi method

► Time series analysis

► Associative models

► Naïve forecasting

http://books.google.com.pk/books?id=wUHzc8JtZzUC&pg=PA65&dq=examples+of+quantitative+forecasting+EXCEPT:+%E2%96%BA+Delphi+method++%E2%96%BA+Time+series+analysis+%E2%96%BA+Associative+models+%E2%96%BA+Na%C3%AFve+forecasting&hl=en&ei=oWGOTd26G5G3cZbprJIK&sa=X&oi=book_result&ct=result&resnum=2&ved=0CC8Q6AEwAQ#v=onepage&q&f=false (page 65)

Question No: 9 (Marks: 1) - Please choose one

Which one of the following is a limitation of a moving average having a trend?

► The forecast lags behind the actual

► The forecast represents demand more accurately

► The forecast will not be accurate

► The forecast will not be reliable

Ref: However, traditional moving averages have one very serious deficiency. They are a 'lagging' technical indicator. This means that moving averages, due to their mathematical

construction (averaging prices over a number of prior periods) tend to lag behind the current market price.

http://www.tradertech.com/fast_break.asp

Question No: 10 (Marks: 1) - Please choose one

Which one of the following is an index used to measure actual output relative to design capacity?

► Efficiency

► Effective capacity

► Effectiveness

► Utilization

Question No: 11 (Marks: 1) - Please choose one

What would be the utilization, if 34 cars are produced in a day with a design capacity of 50 cars per day?

► 68%

► 1.47%

► 84%

► 16%

Utilization = Actual Output/ Design Capacity

=34/50

68%

Question No: 12 (Marks: 1) - Please choose one

Which one of the following stages of product life cycle relates to more predictable behavior in terms of capacity requirements?

► Introduction

► Growth

► Maturity (not sure)

► Decline

Question No: 13 (Marks: 1) - Please choose one

Which one of the following layout types is associated with car assembly?

► Fixed position layout

► Process layout

► Product layout

► Hybrid layout

http://www.scribd.com/doc/7369836/Facility-Layout

Question No: 14 (Marks: 1) - Please choose one

Which of the following probability distribution is used most extensively in dealing with forecasting errors?

► Normal

► Exponential

► Beta

► Pareto

http://highered.mcgraw-hill.com/sites/0073041912/student_view0/chapter3/interactive_quiz.html Q#10

Question No: 15 (Marks: 1) - Please choose one

Which one of the following is an application of simple exponential smoothing?

► Establishing durability

► Finding reliability

► Scheduling services

► Quality improvement

http://www.google.com/#sclient=psy&hl=en&tbm=bks&source=hp&q=William+Berry%2C+Vincent+Mabert%2C+and+Myles+Marcus+have+shown+that+simple+exponential+smoothing+can+be+valuable+in+scheduling+services%2C+such+as+bank+tellers.6+Their+study+showed+that+the+causes+of+customer+demand+can+be+identified+and+used+...&aq=f&aqi=&aql=&oq=&pbx=1&bav=on.2,or.r_gc.r_pw.&fp=2f96f37b23e704

Question No: 16 (Marks: 1) - Please choose one

Which of the following forecasting technique is based on the assumption that past data is more indicative of the future than the most recent occurrences?

► Naive forecast

► Exponential smoothing

► Linear regression

► Judgmental forecast (review again)

http://books.google.com/books?id=dNThzoekGQcC&pg=PA191&dq=Judgmental+forecast+technique+is+based+on+the+assumption+that+past+data+is+more+indicative+of+the+future+than+the&hl=en&ei=Ish0TYidH4HPrQf9q4XSCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDUQ6AEwAw#v=onepage&q&f=false

Question No: 17 (Marks: 1) - Please choose one

Which of the following takes into consideration the design of aesthetics of the product?

► Functional design

► Production design

► Service design

► Product design

Question No: 18 (Marks: 1) - Please choose one

Which one of the following is the overall objective of product and service design?

► Customer satisfaction and variety

► Customer satisfaction and profitability

► Reliability and variety

► Quality and reliability

Page#44 Importance of Product/Service Design

Product/Service design plays a strategic role in helping an organization achieve its goals. A good product/service design can ensure customer satisfaction, quality and production costs

Question No: 19 (Marks: 1) - Please choose one

Which one of the following is the final stage of product life cycle?

► Growth

► Decline

► Maturity

► Planning

Question No: 20 (Marks: 1) - Please choose one

Which one of the following is the goal of method analysis?

► Dividing and analyzing a job

► Check individual human motions used to perform an operation

► Determining the length of time it will take to undertake a particular task

► Determining the amount of time a worker spends on various activities

Question No: 21 (Marks: 1) - Please choose one

Which one of the following is the focus of predetermined motion time system?

► Individual human motions that are used in a job task

► Determining the length of time it will take to undertake a particular task

► Determining the amount of time a worker spends on various activities

► Providing standard times for micro motions such as reach, move and release

http://books.google.com.pk/books?id=QP8gUPePJsIC&pg=SA15-PA12&lpg=SA15-PA12&dq=micro+motions+such+as+reach,+move+and+release&source=bl&ots=g3B2Y1jcEZ&sig=O2r6__MLU6reqkpTKs7UhsWUMvs&hl=en&ei=JsfsTKGWPIOlcYmrgKgP&sa=X&oi=book_result&ct=result&resnum=5&ved=0CDAQ6AEwBA#v=onepage&q=micro%20motions%20such%20as%20reach%2C%20move%20and%20release&f=false

Question No: 22 (Marks: 1) - Please choose one

Which one of the following location strategies follows a decentralized approach?

► Process plant strategy

► Market area plant strategy

► Cost conservation strategy

► Product plant strategy

Question No: 23 (Marks: 1) - Please choose one

Which one of the following location strategies is favored by automobile manufacturers?

► Product plant strategy

► Process plant strategy

► Market area plant strategy

► Cost conservation strategy

Reference (Page#369)

Question No: 24 (Marks: 1) - Please choose one

In which of the following approaches location decision is based on personal opinions and quantitative information?

► Factor rating

► Market area plant strategy

► Currency fluctuations

► Product plant strategy

http://books.google.com.pk/books?id=tqVIT0xE4NAC&pg=PA369&dq=Process+plant+strategy+is+favored+by+automobile+manufacturers&hl=en&ei=rCh2TZWRE4qTswaD1oCFBQ&sa=X&oi=book_result&ct=result&resnum=1&sqi=2&ved=0CCsQ6AEwAA#v=onepage&q=%20personal%20opinions%20and%20quantitative%20information&f=false

Question No: 25 (Marks: 1) - Please choose one

Which one of the following is **TRUE** about the importance of capacity planning?

► It is profitable

► It increase the capacity of productive unit

► It helps managers quantify production capability

► It establishes good relationship with the customer

Acts as a major determinant of initial costs. It is typical to see that greater the capacity of a productive unit, greater would be the cost. (page 65)

Question No: 26 (Marks: 1) - Please choose one

Organizational strategies relate to which of the following sets of factors?

► Survival, profitability, growth rate and market share

► Profitability, survival, lead times and target market

► Quality, operating resources, growth rate and market share

► Scheduling, profitability, lead times and survival

http://highered.mcgraw-hill.com/sites/dl/free/0072443901/21708/ste43901_ch02qxd.pdf

Question No: 27 (Marks: 1) - Please choose one

Which one of the following forecasting methods uses subjective inputs such as opinions from consumer surveys, sales staff, managers and experts?

► Time series model

► Least Square method

► Judgmental forecasting model

► Associative forecasting model

Page# 35 · Judgmental - uses subjective inputs meaning that a judgmental forecast rely on analysis of subjective inputs obtained from various sources, such as consumer surveys, the sales staff, managers and executives, and panels of experts. These insights are not available publicly.

Question No: 28 (Marks: 1) - Please choose one

Transportation method helps in solving which of the following problems?

► Facility location problems

► Allocation of cost problems

► Workforce management problems

► Unfamiliar laws and regulaitons problems

Page#28 Transportation Method
Transportation Method is a quantitative approach that can help solve multiple facility location problems.

Paper 10

MIDTERM EXAMINATION

Spring 2009

MGT613- Production / Operations Management (Session - 1)

A business process is a logical set of tasks or activities that:

Are specific to the operations function

Are specific to the marketing function

Are interdependent with other processes

Have exactly the same performance measures for any process

http://www.martymodell.com/pgsa2/pgsa13.html

Which of the following is referred to as plans for achieving goals?

Rules

Strategies

Policies

Mission

To make operations strategy effective it should be:

Independent of the organization's strategy

Consistent with the organization's strategy

Developed by a first line manager

Independent of time dimension

Chapter 1, Heizer/Render, 5th edition

Operations strategy is the approach consistent with organization strategy that is used to guide the operations function. It is narrower in scope, dealing with the operations aspect of the organization

Which one of the following techniques uses historical data to predict future value of a variable of interest?

Time series method

Causal forecasting method

Qualitative forecasting method

Intuitive forecasting method

□□*T time series* - uses historical data assuming the future will be like the past and depend on developing relationships between variables that can be expressed to predict future values. Some time series forecast try to smoothen out random variations in historical data. There are some time series forecast which identify specific patterns and then may even extrapolate those patterns into the future.

(Q#1)http://cwx.prenhall.com/bookbind/pubbooks/russell/chapter10/multiple1/deluxe-content.html

Which one of the following forecasting techniques uses explanatory variables to predict future demand?

Associative forecast

Time series forecast

Consumer survey

Executive opinion

Ref: • Associative models - uses explanatory variables to predict the future for example demand for a small car may be dependant upon increase in price of petrol or CNG. The analysis in this case would employ a mathematical model that would relate the predicted variable with the predictor variable or variables.

Which one of the following involves completing a series of questionnaires each developed from the previous one, to achieve a consensus forecast?

Consumer surveys

Executive opinion

Time series forecast

Delphi method

Delphi method: Managers and staff complete a series of questionnaires, each developed from the previous one, to achieve a consensus forecast.

In which one of the following situations, the use of a decision tree is required instead of a payoff table?

When there are more than three states of nature

When there are more than three decision payoffs

When the decision situation encompasses an extended time period

When a series of decisions is required

Decision Trees A schematic representation of the alternatives and their possible consequences is presented graphically. You can refer

 The diagram resembles a tree

 Extremely suitable for analyzing and evaluating situations which involve sequential decisions

 Decision Trees

http://businessmanagementcourses.org/Lesson37DecisionTheory&DecisionTrees.pdf

Given the table:

Possible Alternatives future demand

	Low (Rs.)	High (Rs.)
Small facility	**10,000**	**8,000**
Medium facility	**12,000**	**20,000**
Large facility	**18,000**	**15,000**

Which one of the following is the correct payoff under LAPLACE approach?

Rs. 9,000

Rs. 16,000

Rs. 33,000

Rs. 16,500

Which one of the following is called as the difference between designed and utilizes capacity?

Design capacity(not sure)

Effective capacity

Buffer capacity

Utilization rate

Which one of the following mathematical expressions is used to compute utilization?

Actual output / effective capacity

Actual output / design capacity

Actual output + effective capacity

Actual output - design capacity

Ref☹pg66 Utilization = Actual Out put/ Design Capacity

Which one of the following is the first step in line balancing?

Specify the sequential relationship among tasks.

Determine the required cycle time.

Determine the minimum number of workstations.

Determine the desired output

http://www.docstoc.com/docs/25331149/Assembly-Line-Balancing--Flow-Line-Balancing

What would be the required cycle time for a process that operates 9 hours daily with a desired output of 300 units per day?

0.03 minutes

1.8 minutes

2700 minutes

291 minutes

What would be the output capacity if an assembly line operates for 7 hours per day with a cycle time of 2.0 minutes?

210 units per day

3.5 units per day

0.004 units per day

14 units per day

OC = Output capacity = OT/CT

=7/2.0

=3.5

Which of the following factors are considered in product and service design?

Customer satisfaction, quality, and improvement costs

Employee motivation, quality, and production costs

Customer satisfaction, flexibility, and production costs

Customer satisfaction, quality, and production costs

An automatic car wash is an example of which of the following?

Customized service

Batch processing

Intermittent processing

Standardized service

Ref:

http://books.google.com.pk/books?id=4dC0WP0VrdcC&pg=PA398&lpg=PA398&dq=car+wash+is+the+example+of+Standardized+service&source=bl&ots=qlIIR3kpQV&sig=771YBzi3PRXOPLap7GP58ShHSYg&hl=en&ei=VirtTK-CCtDQcYfl_I4P&sa=X&oi=book_result&ct=result&resnum=2&ved=0CBsQ6AEwAQ#v=onepage&q=car%20wash%20is%20the%20example%20of%20Standardized%20service&f=false

Which of the following is an advantage of standardization?

Frozen designs

Customized parts

Interchangeable parts

Reduced variety

http://docs.google.com/viewer?a=v&q=cache:irU_blx_IywJ:zonecours.hec.ca/documents/H2011-1-2179442.Session7-

ProductandProcessDesign.ppt+is+an+advantage+of+standardization%3F+Frozen+designs+Customized+parts+Interchangeable+parts+Reduced+variety&hl=en&pid=bl&srcid=ADGEESiRCjPPEGCrPoJ5gKeS4jDJi5K2y58gT-tmkGTpUwD2zUUcK2A-JHjO6KXoo3NaS3fYTbXPJFnxrTsh8_gHAMewUhhTMF3zs0Z3DTqgQD54mBQclpeFRV6Xcc2E6GqxGnf7J_s1&sig=AHIEtbSvIibe8xH8bREtNxavtACqS7Idfg Slides#11 and 13

Which one of the following is the most significant disadvantage of standardization?

Reduced design costs

Interchangeable parts

Reduced variety

Customized parts

http://docs.google.com/viewer?a=v&q=cache:irU_blx_IywJ:zonecours.hec.ca/documents/H2011-1-2179442.Session7-ProductandProcessDesign.ppt+is+an+advantage+of+standardization%3F+Frozen+designs+Customized+parts+Interchangeable+parts+Reduced+variety&hl=en&pid=bl&srcid=ADGEESiRCjPPEGCrPoJ5gKeS4jDJi5K2y58gT-tmkGTpUwD2zUUcK2A-JHjO6KXoo3NaS3fYTbXPJFnxrTsh8_gHAMewUhhTMF3zs0Z3DTqgQD54mBQclpeFRV6Xcc2E6GqxGnf7J_s1&sig=AHIEtbSvIibe8xH8bREtNxavtACqS7Idfg Slides#11 and 14

Product life cycle is based on which of the following components?

Place

Demand

Supply

Price

Which one of the following statements relates to the final stage of product life cycle?

Improve reliability, and reduce production costs

Improve packaging, and reliability

Improve reliability, and reduce quality

Improve reliability, and reduce promotion costs

Which of the following refers to translate the voice of the customer into technical design requirements?

Concurrent design

Design for manufacture

Robust design

Quality functional deployment

Which one of the following is correct about the range of availability on a measuring index?

0.1 to 1.0

0 to 1.0

0.5 to 1.0

0.01 to 1.0

What would be the availability if a carpenter is expected to be able to operate for 250 hours between repairs, and the mean repair time is expected to be 3 hours?

1.01

5.03

3.0

0.98

Which one of the following refers to a team having representatives from different functional areas of the organization?

Traditional work group

Self-directed team

Cross-functional team

Self motivated team

Ref: Cross-functional systems were designed to integrate the activities of the entire business process, and are called so because they 'cross' departmental boundaries.

Which one of the following refers to the length of time needed to complete a job?

Work sampling methods

Work measurement

Job design

Methods analysis

p—93 Work Measurement determines how long it should take to do a job.

Which of the following refers to bringing together engineering design and manufacturing personnel early in the design phase?

Reverse engineering

Concurrent engineering

Manufacturability

Serviceability

p#53 Concurrent engineering is the bringing together of engineering design and manufacturing personnel early in the design phase.

Which of the following is the primary input in capacity planning?

Supply chain capabilities

Competitors' strengths

Demand forecasts

Overall cost estimates

Ref: For conventional goods, demand forecasts are used to set safety stock and replenishment levels; to drive procurement, especially of long lead-time items; to establish production plans; and as input to capacity and financial planning

processes. In services, demand forecasts are used primarily for financial planning, capacity and workforce planning.

Which of the following best describes the concept of the value chain?

The step-wise increases in product prices as raw materials are turned into goods/services

Adding financial value to an organization through the acquisition of other firms

A sequence of activities that involve movement of materials in a production facility

All steps in the transformation process that add value even if they don't come from manufacturing

http://www.tarrani.net/kate/docs/KnowledgeValueChain.pdf

The Strategies which are more focused on maintaining or improving the quality of an organization's products or services are known as:

Quality at the source

Time based strategies

Cost leadership strategies

Quality-based strategies

p#18 Quality-based strategies

focuses on maintaining or improving the quality of an organization's products or services

Paper 11

MIDTERM EXAMINATION
Spring 2009
MGT613- Production / Operations Management (Session - 1)

Question No: 1 __ (Marks: 1) - Please choose one
Which ONE of the following statements correctly explains the role of operation's manager?
To coordinate the activities between marketing and finance department
To sustain, protect and project the company's long term strategies
To develop organizational strategy that reflects the operational strategy
To sustain, protect and project the company's operation/production side
Question No: 2 __ (Marks: 1) - Please choose one
Which one of the following decision is NOT made by operations managers?
How much capacity is required to balance demand?
What should be the location and layout of a facility?
How to improve operational efficiency?

Which market areas to manufacture the products for?

Question No: 3 __ (Marks: 1) - Please choose one

The major business function consisting of research and development, product design, manufacturing, marketing, distribution, and customer service is refers to:

Value chain

The transformation process

Quality control

Life cycle

Question No: 4 (Marks: 1) - Please choose one

Which of the following is referred to as plans for achieving goals?

Rules

Strategies

Policies

Mission

Question No: 5 (Marks: 1) - Please choose one

Which of the following statements corresponds to an order-winning characteristic?

A factor which may be significant in other parts of the organization

A factor which gives an organization a competitive edge

A factor which serves as a minimum standard for purchase

A factor which increases the profitability of the organization

Question No: 6 __ (Marks: 1) - Please choose one

Which of the following statements describes an order-qualifier characteristic?

A competitive dimension used to make final decision among competitors

A factor which directly and significantly contribute to winning business

A factor which increases the profitability of the organization

A factor perceived as a minimum standard as a potential for purchase

Page#15 Order qualifiers are those significant characteristics that service customers perceive as minimum standards of acceptability to be considered as a potential purchase while order winners

Question No: 7 __ (Marks: 1) - Please choose one

As a manager, you have defined the purpose of the forecasts. What should be the next step in forecasting process?

Choose a forecasting technique.

Determine the purpose of the forecast.

Set up a time horizon or a time limit.

Collect and analyze the appropriate data.

(Handout page 34)

Question No: 8 __ (Marks: 1) - Please choose one

Which one of the following techniques uses historical data to predict future value of a variable of interest?

Time series method

Causal forecasting method

Qualitative forecasting method

Intuitive forecasting method

Question No: 9 __ (Marks: 1) - Please choose one

Which one of the following forecasting techniques use subjective inputs such as opinions from consumer surveys, sales staff, managers and experts?
Time series
Quantitative
Judgmental
Associative
(Handout page 35)
Question No: 10 __ (Marks: 1) - Please choose one
Which of the following approaches favors adopting a “go for it” strategy?
Maximin
Maximax
Minimax regret
Laplace
(Handout page 26)
Question No: 11 (Marks: 1) - Please choose one
In which one of the following situations, the use of a decision tree is required instead of a payoff table?
When there are more than three states of nature
When there are more than three decision payoffs
When the decision situation encompasses an extended time period
When a series of decisions is required
Question No: 12 (Marks: 1) - Please choose one
Which one of the following is a limitation of a moving average having a trend?
The forecast lags behind the actual
The forecast represents demand more accurately
The forecast will not be accurate
The forecast will not be reliable

Ref: However, traditional moving averages have one very serious deficiency. They are a 'lagging' technical indicator. This means that moving averages, due to their mathematical construction (averaging prices over a number of prior periods) tend to lag behind the current market price. http://www.tradertech.com/fast_break.asp

Question No: 13 (Marks: 1) - Please choose one
Which one of the following reasons account for using moving average in forecasting?
It eliminates the trend
It smoothes the random fluctuations
It counteracts the seasonal variations
It approximates the period average
http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter9/multiple_choice_quiz.html
Question No: 14 (Marks: 1) - Please choose one
Which one of the following refers to the maximum output that a firm can produce under ideal conditions?

Design capacity
Effective capacity
Capacity planning
Utilization rate
(page179)http://books.google.com/books?id=tqVIT0xE4NAC&pg=PA179&dq=maximum+output+that+a+firm+can+produce+under+ideal+conditions&hl=en&ei=aqyOTeu0D4PCvQPQ2oC0DQ&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDIQ6AEwAQ#v=onepage&q=maximum%20output%20that%20a%20firm%20can%20produce%20under%20ideal%20conditions&f=false
Question No: 15 __ (Marks: 1) - Please choose one
Which one of the following mathematical expressions is used to compute utilization?
Actual output / effective capacity
Actual output / design capacity
Actual output + effective capacity
Actual output - design capacity
(Handout page 66)
Question No: 16 (Marks: 1) - Please choose one
What would be the utilization, if 40 cars are produced in a day with a design capacity of 60 cars per day?
67%
20%
100%
150%
Actual output / design capacity
40/60 *100 = 67%

Question No: 17 (Marks: 1) - Please choose one
Which of the following statements is correct about capacity evaluating alternatives?
Minimum cost and optimal operating rate are functions of size of plant.
Minimum cost and optimal operating rate are functions of fixed cost.
Minimum cost and productivity are functions of size of plant.
Maximum cost and optimal operating rate are functions of size of plant.
Question No: 18 (Marks: 1) - Please choose one
Which one of the following is the first step in line balancing?
Specify the sequential relationship among tasks.
Determine the required cycle time.
Determine the minimum number of workstations.
Determine the desired output
http://www.slidefinder.net/c/chapter_manufacturing_processes/25822455 Slide#13
Question No: 19 (Marks: 1) - Please choose one
The formula for determining the required cycle time is operation time per day divided by:

Sum of task times
Actual output per day (in units)
Number of workstation
Desired output (in units)
Page#85 *Cycle time* is the maximum time allowed at each workstation to complete its set of tasks on a unit. If CT represents cycle time and D represents the desired output then we can calculate cycle time as
CT = cycle time = OT/D
Question No: 20 __ (Marks: 1) - Please choose one
Which one of the following statements is NOT correct about cycle time?
It represents daily operating time divided by desired production
It is the maximum allowable time at each work station
It determines the time often items take to roll off in assembly line
It is the time required to complete a product from start to finish

http://www.cbpa.ewu.edu/~pnemetzmills/OMch5/pracanswers.html Q#2

Question No: 21 __ (Marks: 1) - Please choose one
What would be the required cycle time for a process that operates 9 hours daily with a desired output of 300 units per day?
0.03 minutes
1.8 minutes
2700 minutes
291 minutes
CT = cycle time = OT/D
=9/300
=0.03

Question No: 22 __ (Marks: 1) - Please choose one
What would be the output capacity if an assembly line operates for 7 hours per day with a cycle time of 2.0 minutes?
210 units per day
3.5 units per day
0.004 units per day
14 units per day
OC = Output capacity = OT/CT
=7/2.0
=3.5
Question No: 23 __ (Marks: 1) - Please choose one
Which one of the following types of manufacturing layout is considered a hybrid?
Process layout
Product layout
Fixed-position layout
All of the given options
Page#80 Hybrid/Combination. A Layout that makes use of the combination of Product, Process or Fixed Position Layout

Question No: 24 __ (Marks: 1) - Please choose one
A department store discovered that in a four-month period, the best forecast can be determined by using 50 percent of the sales for the most recent month, 20 percent of the sales of two months ago, 10 percent of the sales of three months ago, and 20 percent of the sales of four months ago. Which forecasting method should the store use to forecast demand?
Simple Moving Average
Linear Regression
Time Series Analysis
Weighted Moving Average
Question No: 25 __ (Marks: 1) - Please choose one
Which of the following forecasting technique is based on the assumption that past data is more indicative of the future than the most recent occurrences?
Exponential smoothing
Linear regression
Judgmental forecast (review again)
Naive forecast

http://books.google.com/books?id=dNThzoekGQcC&pg=PA191&dq=Judgmental+forecast+technique+is+based+on+the+assumption+that+past+data+is+more+indicative+of+the+future+than+the&hl=en&ei=Ish0TYidH4HPrQf9q4XSCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDUQ6AEwAw#v=onepage&q&f=false

Question No: 26 (Marks: 1) - Please choose one
Which of the following takes into consideration the design of aesthetics of the product?
Functional design
Production design
Service design
Product design

http://books.google.com.pk/books?id=CFlyglsIINYC&pg=PA40&dq=design+of+aesthetics+of+the+product&hl=en&ei=gdZzTaWSNM6O4gb8pc3JDQ&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDkQ6AEwAw#v=onepage&q=ROLE%20OF%20AESTHETICS%20IN%20PRODUCT%20DESIGN%20Considering%20the%20importance%20of%20aesthetics&f=false

Product design (i.e., industrial design) is perhaps most associated with aesthetic considerations (Bel Geddes 1934, pp. 222-241).
http://www.acrwebsite.org/volumes/display.asp?id=7824

Question No: 27 (Marks: 1) - Please choose one
Which of the following is an advantage of standardization?
Frozen designs
Customized parts
Interchangeable parts
Reduced variety

Slides No 11&13

Question No: 28 (Marks: 1) - Please choose one

Which one of the following is the most significant disadvantage of standardization?

Reduced design costs

Interchangeable parts

Reduced variety

Customized parts

See Slide#14

Question No: 29 (Marks: 1) - Please choose one

Which one of the following is TRUE about Taguchi approach?

To test the robustness of a design

To articulate the "voice of the customer"

To reduce the degree of automation

To create a concurrent design

Page#52 **Taguchi Approach To Robust Design**

Question No: 30 (Marks: 1) - Please choose one

Which one of the following is correct about the range of availability on a measuring index?

0.1 to 1.0

0 to 1.0

0.5 to 1.0

0.01 to 1.0

http://books.google.com.pk/books?id=aN9EbTuCve0C&pg=PA78&dq=range+of+availability+on+a+measuring+index&hl=en&ei=AXt3TezSJMLSrQef1MS_Cg&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDIQ6AEwAQ#v=onepage&q&f=false

Question No: 31 (Marks: 1) - Please choose one

What would be the availability if a carpenter is expected to be able to operate for 350 hours between repairs, and the mean repair time is expected to be 3 hours?

0.99

1.0

3.0

7.03

Availability = (MTBF)/(MTBF + MTR)

=350/350+3

=0.99

Question No: 32 (Marks: 1) - Please choose one

Which of the following management level is responsible for long-range capacity planning?

Lower management

Middle management

Top management

Non managerial employees

REF:

* Require an extensive knowledge of management roles and skills.
* They have to be very aware of external factors such as markets.

*** Their decisions are generally of a long-term nature**
* Their decisions are made using analytic, directive, conceptual and/or behavioral/participative processes
http://en.wikipedia.org/wiki/Management

Question No: 33 (Marks: 1) - Please choose one
Which one of the following refers to a team having representatives from different functional areas of the organization?
Traditional work group
Self-directed team
Cross-functional team
Self motivated team
Reference (Page#109)

Question No: 34 (Marks: 1) - Please choose one
Which of the following refers to changing the job role of one worker with another?
Job rotation
Job enlargement
Job enrichment
Job design
http://books.google.com.pk/books?id=vtzqtPUPakEC&pg=PA93&dq=changing+the+job+role+of+one+worker+with+another&hl=en&ei=vaZ4TbzKKIfysgbr6PjhBw&sa=X&oi=book_result&ct=result&resnum=10&ved=0CGEQ6AEwCQ#v=onepage&q=However%2C%20in%20job%20rotation%2C%20jobs%20are%20not%20redesigned.%20Employees%20simply%20move%20from%20one%20job%20to%20another%2C%20but%20the%20nature%20of%20the%20work%20does%20not%20change.%20Job%20enlargement%2C%20however%2C%20involves%20actually%20changing%20the%20job&f=false

Question No: 35 (Marks: 1) - Please choose one
Which one of the following is NOT a business application of forecasting?
Budgeting
Capacity planning
Inventory management
Quality control

Page#31 Forecasting in business forms the basis for budgeting and planning for capacity, sales, production, inventory, manpower, purchasing and more.

Question No: 36 __ (Marks: 1) - Please choose one
Which one of the following is an example of site related factors that affect location decision?
Transportation
Quality of life
Location of new markets
Location of raw materials

Page#96 Site Related Factors
•Land

•Transportation

•Environmental

•Legal

Question No: 37 __ (Marks: 1) - Please choose one
In which of the following approaches location decision is based on personal opinions and quantitative information?

Factor rating

Market area plant strategy
Currency fluctuations
Product plant strategy

Reference (Page#379)

Question No: 38 __ (Marks: 1) - Please choose one
Which of the following best describes the concept of the value chain?

• The step-wise increases in product prices as raw materials are turned into goods/services

Adding financial value to an organization through the acquisition of other firms

• A sequence of activities that involve movement of materials in a production facility

• All steps in the transformation process that add value even if they don't come from manufacturing

http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter1/multiple_choice_quiz.html Q#12

Question No: 39 __ (Marks: 1) - Please choose one
The Strategies which are more focused on maintaining or improving the quality of an organization's products or services are known as:

Quality at the source
Time based strategies
Cost leadership strategies

Quality-based strategies

Page#18 •Quality-based strategies

Focuses on maintaining or improving the quality of an organization's products or services

Question No: 40 __ (Marks: 1) - Please choose one
Which one of the following describes the Naïve forecast?

Attempt to predict the future value based on the past data.
Determine long term upward or downward movement in data.

Forecast for any period equals the previous period's actual value.

Collect outside opinion of consumer and potential customers.

REF:

Naive models where output growth is equal to previous output growth are found to perform well so there is little role for indicator variables, particularly in quieter periods.

http://www.statistics.gov.uk/elmr/08_07/downloads/ELMR08_07Chamberlin.pdf (page 42)

http://books.google.com.pk/books?id=5PeNDuM-pnQC&pg=PA42&dq=the+Na%C3%AFve+forecast+any+period+equals+the+previous+period%E2%80%99s+actual+value&hl=en&ei=R8SOTbHTHMmccbaxxfgJ&sa=X&oi=book_result&ct=result&resnum=2&ved=0CCwQ6AEwAQ#v=onepage&q&f=false

Paper 12

MIDTERM EXAMINATION
Spring 2009
MGT613- Production / Operations Management (Session - 1)

Question No: 1 (Marks: 1) - Please choose one
The management of systems or processes that creates goods and provides services is known as:

Operation Management
Operation/production Management
Operation/Research Management
Production/Research Management

Page#3 Operations Management (The management of systems or processes that *create goods and/or provide services*)

Question No: 2 (Marks: 1) - Please choose one
Which one of the following forms of productivity has units of output per shift?

Capital
Energy
Labor
Machine

Page#19
Labor Productivity
Units of output per labor hour
Units of output per shift
Value-added per labor hour

Question No: 3 (Marks: 1) - Please choose one
Which one of the following forms of productivity is expressed as dollar value of output per kilowatt hour?

Machine
Capital
Energy
Labor

Page#19 **Energy Productivity**
Units of output per kilowatt-hour
Rupee value of output per kilowatt-hour

Question No: 4 (Marks: 1) - Please choose one
What would be the productivity if a machine produced 50 units in 3 hours?

0.066 units per hr
16.66 units per hr
6.766 units per hr

60.66 units per hr

Question No: 5 (Marks: 1) - Please choose one

Which of the following functions of an organization consists of all activities directly related to production of a good or service?

Operations

Marketing

Accounting

Finance

Page#7 The Operations function consists of all activities that are directly related to production of a good or service.

Question No: 6 (Marks: 1) - Please choose one

Which of the following is NOT a decision to be made by operations managers?

How much capacity is required to balance demand?

What should be the location and layout of a facility?

How to improve operational efficiency?

Which market areas to manufacture the products for?

http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4471/1144826.cw/index.html

Q#8

Question No: 7 (Marks: 1) - Please choose one

All of the following are the decision areas of an operations manager EXCEPT:

Financial reporting

Inventory management

Scheduling tasks

Supply chain management

http://wiki.answers.com/Q/What_are_Operations_management_decisions

Question No: 8 (Marks: 1) - Please choose one

Organizational strategies relate to which of the following sets of factors?

Survival, profitability, growth rate and market share

Profitability, survival, leads times and target market

Quality, operating resources, growth rate and market share

Scheduling, profitability, lead times and survival

http://highered.mcgraw-hill.com/sites/dl/free/0072443901/21708/ste43901_ch02qxd.pdf

Question No: 9 (Marks: 1) - Please choose one

Which of the following statements describes an order-qualifier characteristic?

A competitive dimension used to make final decision among competitors

A factor which directly and significantly contribute to winning business

A factor which increases the profitability of the organization

A factor perceived as a minimum standard as a potential for purchase

Page#15 Order qualifiers are those significant characteristics that service customers perceive as minimum standards of acceptability to be considered as a potential purchase while order winners

Question No: 10 (Marks: 1) - Please choose one

To make operations strategy effective it should be:

Independent of the organization's strategy

Consistent with the organization's strategy

Developed by a first line manager

Independent of time

page#14Operations strategy – The approach, consistent with organization strategy that is used to guide the operations function

Question No: 11 (Marks: 1) - Please choose one

Which one of the following correctly explains the qualitative forecasting technique?

It consists mainly of numerical descriptions and defies subjective inputs of managers.

It consists mainly of subjective inputs and defies particular numerical descriptions.

It consists mainly of subjective inputs and defies human factor, personal opinions.

It consists mainly of analyzing objective and hard data and defies human factor, opinion.

Page#34 Qualitative Techniques which use subjective inputs and no numerical data. It relies solely on soft information like human factors, personal opinion, hunches. Thus Qualitative Forecasts are often biased and tilted towards what the management wants to predict.

Question No: 12 (Marks: 1) - Please choose one

Which one of the following correctly explains the quantitative forecasting technique?

It consists mainly of numerical descriptions and resist subjective inputs of managers.

It consists mainly of subjective inputs and resist particular numerical descriptions.

It consists mainly of subjective inputs and resisit human factor, personal opinions.

It consists mainly of analyzing objective and hard data and resist human factor, opinion.

Question No: 14 (Marks: 1) - Please choose one

Given the table:

Alternatives	Possible future demand	
	Low (Rs.)	High (Rs.)
Small facility	10,000	8,000
Medium facility	12,000	20,000
Large facility	18,000	15,000

Which one of the following is the correct payoff under LAPLACE approach?

Rs. 9,000

Rs. 16,000

Rs. 33,000

Rs. 16,500

Question No: 15 (Marks: 1) - Please choose one

Which one of the following is NOT a step of decision making process?

Develop alternatives

Monitor results

Consider risk averseness strategies

Specify criteria for decision

Page#24 Normally the decision making process involves the following six important steps
1. Specify Objectives and the Criteria for decision making
2. Develop Alternatives
3. Analyze and compare alternatives.
4. Select the best alternative.
5. Implement the chosen Alternative
6. Monitor the results to ensure the desired results are achieved.

Question No: 16 (Marks: 1) - Please choose one

As an operations manager you have collected data about the demand of certain product "P" over time "t". The data shows short-term fairly regular variations over the time period "t". Which one of the following is correctly explaining the behavior of the data?

Cycle

Random variation

Seasonality

Trend

Page#37 • *Seasonality* - short-term fairly regular variations in data related to factors like weather, festive holidays and vacations. Mostly experienced by supermarkets, restaurants, theatres, theme parks.

Question No: 17 (Marks: 1) - Please choose one

Which one of the following formulae can be used to compute break even point?

Q = VC / (R - VC)

Q = FC / (R - VC)

Q = VC / (R + FC)

Q = FC / (R + VC)

Page# 76 QBEP= FC/ (R-VC)

Question No: 18 (Marks: 1) - Please choose one

ABC Corporation has planned to purchase a new machine. Total annual fixed cost is Rs. 10,000, variable cost is Rs. 5 per unit and revenue is Rs. 7 per unit. What would be the break even point?

833 units

2000 units

5000 units

1012 units

Page# 76 QBEP= FC/ (R-VC)
=10,000/(7-5)
=10,000/2
=5000

Question No: 19 (Marks: 1) - Please choose one

Which one of the following manufacturing process is associated with high volume car manufacture?

Job shop

Assembly line
Batch
Automation
http://en.wikipedia.org/wiki/Assembly_line
Reference

Question No: 20 (Marks: 1) - Please choose one
Which one of the following is a characteristic of continuous process?
High lead times
Short process times
The ability to handle high variety
The ability to handle high volumes
Slide#7 Slide#9

Question No: 21 (Marks: 1) - Please choose one
Which of the following refers the way an organization chooses to produce its good or services?
Process selection
Process reengineering
Process redesign
Process design
Page#77 Process Selection refers to the way an organization chooses to produce its good or services
Question No: 22 (Marks: 1) - Please choose one
Which one of the following is an example of business that uses job shop process structure?
French restaurants
Heavy equipment
Sugar refinery
Automobile assembly
Page#329 Under the heading of competitive advantages
http://books.google.com.pk/books?id=k6f5tti-_cIC&pg=PA329&dq=Job+shop+restaurants&hl=en&ei=uRl2TaC_I83EswaWlLnxBA&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDoQ6AEwAQ#v=onepage&q=Job%20shop%20restaurants&f=false
Question No: 23 (Marks: 1) - Please choose one
In which of the following layouts, work stations are arranged according to the general function they perform without regard to any particular product?
Product
Process
Fixed-position
Storage
In a Process layout, work stations are arranged according to the general function they perform without regard to any particular product.
http://www.scribd.com/doc/12630674/MBA-IInd-SEM-POM-Chapter02-Layoutsimplfied
Question No: 24 (Marks: 1) - Please choose one

Which of the following layout types is associated with a supermarket?

Fixed position layout

Process layout

Product layout

Cellular layout

Reference(Page#28)

Other ref

Supermarket layouts are essentially process layouts, yet we find that most use fixed-path material-handling devices such as roller-type conveyors in the stockroom and belt-type conveyors at the cash registers.

Question No: 25 (Marks: 1) - Please choose one

OSHA stands for which one of the following?

Occupational stock hygiene administration

Occupational safety hygiene administration

Occupational safety hygiene agency

Occupational science hygiene administration

Page#46 OSHA refers to Occupational Safety Hygiene Administration,

Question No: 26 (Marks: 1) - Please choose one

In order to comply with the environmental standards, an organization ABC has to implement Occupational Safety Hygiene Administration (OSHA).Which one of the following is a way to accomplish this task?

Promoting friendly relations among employees

Installing safety guards and devices to reduce the risk of potential accidents

Installing machinery to make the process speedy

Installing machinery that provides cost effective output

Question No: 27 (Marks: 1) - Please choose one

Which one of the following statements is TRUE about product life cycle?

It depicts demand of a product at various price levels

It depicts demand of a product with respect to time

It relates demand of a product to quality

It relates demand of a product to market share

http://books.google.com/books?id=pY9pMcACHjIC&pg=PA27&dq=demand+of+a+product+with+respect+to+time++product+life+cycle&hl=en&ei=yNqOTcOgI4z8vQOa6ZW-DQ&sa=X&oi=book_result&ct=result&resnum=3&ved=0CDIQ6AEwAg#v=onepage&q&f=false

Question No: 28 (Marks: 1) - Please choose one

Which one of the following is TRUE about Taguchi approach?

To test the robustness of a design

To articulate the “voice of the customer”

To reduce the degree of automation
To create a concurrent design

Page#52 Taguchi Approach To Robust Design

Question No: 29 (Marks: 1) - Please choose one
The disadvantages of specialization to management include all of the following EXCEPT:

More absenteeism
Minimum responsibility
More turnovers
More difficult to teach the job

http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.html Q#6

Question No: 30 (Marks: 1) - Please choose one
Technology has impacted the work place by:

Adding to the existing geographical barriers for recruiting
Increasing the cost of telecommuting
Increasing the amount required to be spent on training
Unifying the workforce to a common skill level

http://highered.mcgraw-hill.com/sites/0072402857/student_view0/chapter10/multiple_choice_quiz.htmlQ#10

Question No: 31 (Marks: 1) - Please choose one
Which one of the following refers to a team having representatives from different functional areas of the organization?

Traditional work group
Self-directed
Cross-functional team
Self motivated team

Reference (Page#109)

Question No: 32 (Marks: 1) - Please choose one
Which one of the following is NOT a business application of forecasting?

Budgeting
Capacity planning
Inventory management
Quality control

Page#31: Forecasting in business forms the basis for budgeting and planning for capacity, sales, production, inventory, manpower, purchasing and more.

Question No: 33 (Marks: 1) - Please choose one
Which one of the following factors makes a forecast LESS perfect?

Randomness

Non serious attitude
Non availability of data
Un qualified personnel

Reference (Page#69)

Question No: 34 (Marks: 1) - Please choose one

Which one of the following is an example of community factors that affect location decisions?

Transportation

Quality of life

Location of new markets

Location of raw materials

Page#96 Community Considerations

- **Quality of life**
- **Services**
- **Attitudes**
- **Taxes**
- **Environmental regulations**
- **Utilities**
- **Developer support**

Question No: 35 (Marks: 1) - Please choose one

Which one of the following location strategies is favored by automobile manufacturers?

Product plant strategy

Process plant strategy

Market area plant strategy

Cost conservation strategy

Reference (Page#369)

Question No: 36 (Marks: 1) - Please choose one

Which one the following is an assumption of center of gravity method?

The quantity to be shipped is variable

The quantity to be shipped is fixed

The quantity carries no value

The quantity to be shipped should be extraordinarily high

The center of gravity method is used to determine the location of a single distribution center that will minimize distribution costs. It treats distribution cost as a linear function of the distance and the quantity shipped, which is assumed to be fixed,

http://farfromneutral.com/kaizen/center-of-gravity-method/

Question No: 37 (Marks: 1) - Please choose one

Which of the following statements would generally be considered as correct job shop?

A continuous process has lower output volume as compared to job shop

Equipment flexibility is lower in job shop than that of a continuous process

Labor costs are higher in a Job Shop operation than in most other processes

Batch processing produces a more standard range of products than continuous flow processes

Reference 1

http://www.gorecroot.com/Questionpaper/ProcessdesigninOperationManagement.aspx

Question No: 38 (Marks: 1) - Please choose one

Which one of the following is NOT an input in the transformation process?

Information

Services

Facilities

Materials

http://www.jpcmediallc.com/acrobat/managment.pdf

Question No: 39 (Marks: 1) - Please choose one

Which one of the following describes the Naïve forecast?

Attempt to predict the future value based on the past data.

Determine long term upward or downward movement in data.

Forecast for any period equals the previous period's actual value.

Collect outside opinion of consumer and potential customers.

REF: Naive models where output growth is equal to previous output growth are found to perform well so there is little role for indicator variables, particularly in quieter periods.
http://www.statistics.gov.uk/elmr/08_07/downloads/ELMR08_07Chamberlin.pdf

Question No: 40 (Marks: 1) - Please choose one

Which one of the following is an advantage of a moving average forecast?

All the values in the average are weighted equally

The method is reliable to forecast the demand accurately

The method is easy to compute and easy to understand

The most recent values are given the more weight age

Reference (Page#348)
http://docs.google.com/viewer?a=v&q=cache:G4FeLS_IGOkJ:www.utdallas.edu/~metin/Ba3352/Slides/forecast.ppt+advantage+of+a+moving+average+forecast?+All+the+values+in+the+average+are+weighted+equally+The+method+is+reliable+to+forecast+the+demand+accurately+The+method+is+easy+to+compute+and+easy+to+understand+The+most+recent+values+are+given+the+more+weight+age&hl=en&gl=pk&pid=bl&srcid=ADGEESjewxOkYgodMgJPUN-hX9YUDCsBksxe7BdlUDsE6sQz4DSnEeryf0eatZCXd_tCT2iZddZcq7T_3qNKOaEiGoFkhrWD40TcHmQnd8xlAtu8Y6fKTSGirKkumPw5m7whntTw8pqS&sig=AHIEtbRyfmwVCNBKTpbGG4MO9achWSpMMw&pli=1 **(slide 28)**

Paper 13

MIDTERM EXAMINATION

Spring 2009

MGT613- Production / Operations Management (Session - 2)

The major business function consisting of research and development, product design, manufacturing, marketing, distribution, and customer service is refers to:

Value chain

The transformation process

Quality control

Life cycle

http://books.google.com.pk/books?id=f5p17Sz5NLMC&pg=PA379&lpg=PA379&dq=of+research+and+development,+product+design,+manufacturing,+marketing,+distribution,+and+customer+service+is+refer+to+life+cycle&source=bl&ots=RMJzKlWMHc&sig=xTlAlvhI2ADkAdSG61mOISidtqE&hl=en&ei=5h9yTYa1NY3krAevra3SCg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CBcQ6AEwAA#v=onepage&q&f=false

Which of the following is NOT usually considered a general characteristic of a service?

Production and sales cannot easily be separated functionally

Many services involve both tangible and intangible outputs

Production and consumption can always be separated

Degree of customer contact is high

http://www.globalguideline.com/interview_questions/Answer.php?a=Which_of_the_following_would_not_normally_be_considered_a_general_characteristic_of_a_service

http://wps.pearsoned.co.uk/ema_uk_he_slack_opsman_4/17/4471/1144826.cw/index.html

Which one of the following is an implication of Laplace approach of decision making?

The best of the worst possible payoff

The best possible payoff

The best average payoff

The least of the worst regrets

Which one of the following is an outcome of Maximin critrion?

The best of the worst possible payoff

The best possible payoff

The best average payoff

The least of the worst regrets

http://books.google.com.pk/books?id=EXD1O7KwfD0C&pg=PA55&lpg=PA55&dq=Which+one+of+the+following+is+an+outcome+of+MINIMAX+regret?+++++++%E2%96%BA+The+best+of+the+worst+possible+payoff++++++++%E2%96%BA+The+best+possible+payoff++++++++%E2%96%BA+The+best+average+payoff+++++++++%E2%96%BA+The+least+of+the+worst+regret&source=bl&ots=n8rZ7KlSlc&sig=L_d_kBf7Z3w7Ow2Z1y4QY6rBCiM&hl=en&ei=q093TbzSBtC2hAf46vCKAg&sa=X&oi=book_result&ct=result&resnum=7&ved=0CEYQ6AEwBg#v=snippet&q=Maximin%20&f=false

Given the table:

Possible Alternatives future demand

Low (Rs.) High (Rs.)

Small facility 10,000 8,000

Medium facility 12,000 20,000

Large facility 18,000 15,000

Which one of the following is the correct payoff under MAXIMIN approach?

Rs. 8,000

Rs. 12,000

Rs. 18,000

Rs. 20,000

Which one of the following forecasting techniques is used to identify a trend when data is neither growing nor declining rapidly and has no seasonal characteristics?

Simple moving average

Delphi method

Trend adjusted forecast

Naïve forecast

Which one of the following refers to the maximum output that a firm can produce under ideal conditions?

Design capacity

Effective capacity

Capacity planning

Utilization rate

REF: page#74

http://books.google.com.pk/books?id=HH0vVv6dMb0C&pg=PA74&lpg=PA74&dq=Design+capacity++refers+to+the+maximum+output+that+a+firm+can+produce+under+ideal+conditions?&source=bl&ots=X5YWVj3R7U&sig=kpXkyYt1evcdibLa83oy8Mrpkgw&hl=en&ei=EuXsTJGQFZCrceHk4LkP&sa=X&oi=book_result&ct=result&resnum=6&ved=0CD0Q6AEwBQ#v=onepage&q=ideal%20conditions&f=false

Which one of the following perspectives is the most obvious to be considered while evaluating alternatives for future capacity?

Social

Political

Economic p#70

Legal

Which of the following terms of financial analysis are important for the organization to proceed with a capacity alternative decision?

Cash flow and fixed cost

Present value and fixed cost

Cash flow and present value

Cash flow and profit

p# Ref: Operations manager along with managerial accountant often work to calculate what cash flow or present value in terms of rupees is available for the organization to proceed with a capacity alternative decision.(page 76)

Which one of the following manufacturing process is associated with high volume car manufacture?

Job shop

Assembly line

Batch

Automation

The formula for determining the required cycle time is operation time per day divided by:

Sum of task times

Actual output per day (in units)

Number of workstation

Desired output (in units)

Assembly lines relate most closely to a:

Functional layout

Product layout

Process layout

Departmental layout

Which one of the following layout type is associated with a restaurant?

Fixed position layout

Process layout

Product layout

Hybrid layout

In exponential smoothing model, a denotes:

Smoothing constant

Actual forecast

Forecast error

Previous forecast

CBR stands for which one of the following?

Commercial board of revenue

Central board of recycling

Central board of renovation

Central board of revenue

Which one of the following designs resists modifications?

Frozen design p 48 (review again)

Product design

Service design

Robust design

Which one of the following is a curve showing failure rate over time?

Cost curve

Bath tub curve

Fish bone diagram

Reliability curve

Which of the following management level is responsible for long-range capacity planning?

Lower management

Middle management

Top management

Non managerial employees

Capacity planning involves answering all of the following questions EXCEPT:

What kind of capacity is needed?

How much is needed?

When is it needed?

Who is going to decide?

The advantages of specialization to management include all of the following EXCEPT:

Rapid training of the workforce

Ease in recruiting new workers

Fewer turnovers

Less boredom for workers

The disadvantages of specialization to management include all of the following EXCEPT:

More absenteeism

Minimum responsibility

More turnovers

More difficult to teach the job

Technology has impacted the work place by:

Adding to the existing geographical barriers for recruiting

Increasing the cost of telecommuting

Increasing the amount required to be spent on training

Unifying the workforce to a common skill level

Which of the following can be used to compute standard time?

Multiplying the elemental average time by the rating factor

Dividing the average elemental time by the rating factor

Multiplying the normal cycle time by the rating factor

Multiplying the normal cycle time by one plus the allowance factor

Page#92 Standard Time=ST=NT X AF is the normal time plus allowance for delays like (getting a glass of water or going to the washroom human needs)

Which one of the following is an example of community factors that affect location decisions?

Transportation

Quality of life

Location of new markets

Location of raw materials

Community Considerations p#96

Quality of life

Services

Attitudes

Taxes

Environmental regulations

Utilities

Developer support

Which one of the following is an example of site related factors that affect location decision?

Transportation

Quality of life

Location of new markets

Location of raw materials

Site Related Factors

•Land

•Transportation

•Environmental

•Legal

Which of the following statements would generally be considered as correct job shop?

A continuous process has lower output volume as compared to job shop

Equipment flexibility is lower in job shop than that of a continuous process

Labour costs are higher in a Job Shop operation than in most other processes

Batch processing produces a more standard range of products than continuous flow processes

http://www.netmba.com/operations/process/structure/

http://books.google.com.pk/books?id=tqVIT0xE4NAC&pg=PA232&dq=Labour+costs+are+higher+in+a+Job+Shop+operation+than+in+most+other+processes&hl=en&ei=b8F3TajMG8X5rAfS-vC-Cg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCsQ6AEwAA#v=onepage&q&f=false

Which one of the following is TRUE about work sampling?

It describes individual human motions that are used in a job task

It involves determining the length of time it will take to undertake a particular task

It involves determining the amount of time a worker spends on various activities

It provides standard times for micro motions such as reach, move and release

http://books.google.com.pk/books?id=wUHzc8JtZzUC&pg=PA382&dq=It+involves+determining+the+amount+of+time+a+worker+spends+on+various+activities&hl=en&ei=6MF3TZ6VFMzHrQfQl_y-Cg&sa=X&oi=book_result&ct=result&resnum=3&ved=0CDEQ6AEwAg#v=onepage&q&f=false

Purpose is to coordinate and control all the required sources so that productive system can be used efficiently and to ensure the delivery of product in time.

Total quality controls

Demand management's

Forecasting's

Operations management's

Forecasting for groups tend to be more accurate than forecasting for individual items because:

A group is composed of a number of items

A group exhibits a uniform behavior

A group cancels the forecasting errors among items

A group behavior is relatively less uncertain

Page#33 •Forecasts more accurate for groups vs. individuals naturally because forecasting errors in a group tend to cancel out forecasting errors for individuals.

Paper 14

MIDTERM EXAMINATION
Spring 2009
MGT613- Production / Operations Management (Session - 2)

Question No: 1 __ (Marks: 1) - Please choose one
Which of the following is NOT a decision to be made by operations managers?
How much capacity is required to balance demand?
What should be the location and layout of a facility?
How to improve operational efficiency?
Which market areas to manufacture the products for?

Question No: 2 (Marks: 1) - Please choose one
Which one of the following forecasting technique is based on historical data?
Judgmental
Associative
Time series
Qualitative

Question No: 3 __ (Marks: 1) - Please choose one
Which one of the following is an outcome of Maximax?
The best of the worst possible payoff
The best possible payoff
The best average payoff
The least of the worst regrets

Maximax
- **Maximax determines**
- **the best possible outcome**
- **Choose the Alternative with the best possible payoff.**
- **It does not take into account any other alternative then the best payoff.**
- **An optimistic approach.**
- **Go for it strategy.**

Question No: 4 __ (Marks: 1) - Please choose one
Given the table:
Alternatives Possible future demand

	Low (Rs.)	High (Rs.)
Small facility	10,000	8,000
Medium facility	12,000	20,000
Large facility	18,000	15,000

Which one of the following is the correct payoff under MAXIMIN approach?
Rs. 8,000
Rs. 12,000
Rs. 18,000
Rs. 20,000

Question No: 5 __ (Marks: 1) - Please choose one
A workers strike represents which of the following behaviors of a time series?

Cycle
Trend
Seasonality
Irregular variations
Question No: 6 (Marks: 1) - Please choose one
Which one of the following is an index used to measure actual output relative to design capacity?
Utilization
Efficiency
Effective capacity
Effectiveness
Question No: 7 __ (Marks: 1) - Please choose one
What would be the utilization, if 34 cars are produced in a day with a design capacity of 50 cars per day?
16%
68%
1.47%
84%
Utilization = Actual Output/ Design Capacity
=34/50
=68%
Question No: 8 __ (Marks: 1) - Please choose one
Effective capacity is influenced by all of the following factors EXCEPT:
Facilities
Product mix
Processes
Operations
Question No: 9 (Marks: 1) - Please choose one
Which one of the following statement represents use of cost-volume analysis?
It is a tool for reliability measurement
It provides a base for marketing research
It helps in comparing capacity alternatives
It is important in product design
Cost Volume Relationship focuses on relationships between costs, revenue and volume of output. The primary purpose of cost volume analysis is to estimate the income of an organization under different operating conditions. It is particularly useful as a tool for comparing capacity alternatives.
Question No: 10 (Marks: 1) - Please choose one
ABC Corporation has planned to purchase a new machine. Total annual fixed cost is Rs. 10,000, variable cost is Rs. 5 per unit and revenue is Rs. 7 per unit. What would be the break even point?
833 units
2000 units
5000 units
1012 units
Question No: 11 __ (Marks: 1) - Please choose one

Which of the following terms of financial analysis are important for the organization to proceed with a capacity alternative decision?
Cash flow and fixed cost
Present value and fixed cost
Cash flow and present value
Cash flow and profit
Question No: 12 (Marks: 1) - Please choose one
Which of the following is an example of a business that uses assembly line process structure?
Automobile assembly
Sugar refinery
Heavy equipment
French restaurants
http://highered.mcgraw-hill.com/sites/0072983906/student_view0/chapter6/multiple_choice_quiz.html
Question No: 13 (Marks: 1) - Please choose one
Which one of the following is a type of layout where equipment, machinery and people are moved as required?
Product layout
Fixed position layout
Process layout
Hybrid layout
http://www.scribd.com/doc/19099888/Types-of-Layout
(Handout page 80) Fixed Position layout. A Layout in which the product or project remains stationary, and workers, materials, and equipment are moved as needed
Question No: 14___(Marks: 1) - Please choose one
A self-service cafeteria is usually positioned as:
Process layout
Fixed position layout
Hybrid layout
Product layout
http://www.scribd.com/doc/28069813/Facilities-Planning-and-Layout
http://books.google.com.pk/books?id=sWtlOeC-3pEC&pg=PA110&dq=A+self-service+cafeteria+is+usually+positioned+as+Hybrid+layout&hl=en&ei=7c53TbXbMYr3sgby17H2BA&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCsQ6AEwAA#v=onepage&q=Self-service%20fast-food%20outlet&f=false
Question No: 15 (Marks: 1) - Please choose one
Which one of the following mathematical expressions can be used to compute output capacity?
OT/CT
CT/OT
CT+OT
CT-OT
(page 85)

Question No: 16 (Marks: 1) - Please choose one
Which one of the following types of manufacturing layout is considered a hybrid?
Process layout
Product layout
Fixed-position layout
All of the given options
(page 80)Hybrid/Combination. A Layout that makes use of the combination of Product, Process or Fixed Position Layout.
Question No: 17 (Marks: 1) - Please choose one
Which of the following forecasting technique is based on the assumption that past data is more indicative of the future than the most recent occurrences?
Exponential smoothing
Linear regression
Judgmental forecast (review again)
Naive forecast
http://books.google.com/books?id=dNThzoekGQcC&pg=PA191&dq=Judgmental+forecast+technique+is+based+on+the+assumption+that+past+data+is+more+indicative+of+the+future+than+the&hl=en&ei=Ish0TYidH4HPrQf9q4XSCg&sa=X&oi=book_result&ct=result&resnum=4&ved=0CDUQ6AEwAw#v=onepage&q&f=false
Question No: 18 (Marks: 1) - Please choose one
Which one of the following is responsible for administering environmental issues about product and service design?
Central Board Revenue
Environmental Protection Agency
Federal Drug Agency
Occupational Safety Hygiene Administration
Question No: 19 __ (Marks: 1) - Please choose one
Which of the following factors are considered in product and service design?
Customer satisfaction, quality, and improvement costs
Employee motivation, quality, and production costs
Customer satisfaction, flexibility, and production costs
Customer satisfaction, quality, and production costs
Question No: 20 (Marks: 1) - Please choose one
OSHA stands for which one of the following?
Occupational stock hygiene administration
Occupational safety hygiene administration
Occupational safety hygiene agency
Occupational science hygiene administration
Question No: 21 (Marks: 1) - Please choose one
In order to comply with the environmental standards, an organization ABC has to implement Occupational Safety Hygiene Administration (OSHA).Which one of the following is a way to accomplish this task?
Promoting friendly relations among employees
Installing safety guards and devices to reduce the risk of potential accidents(not sure)
Installing machinery to make the process speedy

Installing machinery that provides cost effective output
Question No: 22 (Marks: 1) - Please choose one
Which one of the following designs resists modifications?
Frozen design (not sure)
Product design
Service design
Robust design
Question No: 23 __ (Marks: 1) - Please choose one
Which one of the following is TRUE about Taguchi approach?
To test the robustness of a design
To articulate the "voice of the customer"
To reduce the degree of automation
To create a concurrent design
Question No: 24 __ (Marks: 1) - Please choose one
Which one of the following refers to a design that takes into account organization's operational capabilities, when designing a product?
Design for assembly
Design for manufacturing
Design for recycling
Design for disassembly
(page 51)Design for Manufacturing (DFM): The designers' consideration of the organization's manufacturing capabilities when designing a product. The more general term design for operations encompasses services as well as manufacturing.
Manufacturability is the ease of fabrication and/or assembly which is important for:
i. Cost
ii. Productivity
iii. Quality
Question No: 25 (Marks: 1) - Please choose one
Which one of the following refers to using some of the components of old products in the manufacturing of new products?
Manufacturability
Remanufacturing
Robust design
Automation
(page 51)Design for Remanufacturing: Using some of the components of the old products in the manufacture of new products

Question No: 26 __ (Marks: 1) - Please choose one
MTBF refers to which of the following?
Measure time before failure
Mean time between failures ___
Mean time before failure
Measure test before failure
(page 63)If we represent mean time between failures by MTBF
Question No: 27___(Marks: 1) - Please choose one
What would be the availability if a carpenter is expected to be able to operate for 300 hours between repairs, and the mean repair time is expected to be 2 hours?

6.02
2.0
0.99
0.006

Question No: 28 __ (Marks: 1) - Please choose one
Which of the following management level is responsible for long-range capacity planning?
Lower management
Middle management
Top management
Non managerial employees
Question No: 29 (Marks: 1) - Please choose one
Capacity planning involves answering all of the following questions EXCEPT:
What kind of capacity is needed?
How much is needed?
When is it needed?
Who is going to decide?
Question No: 30 (Marks: 1) - Please choose one
Which one of the following is the goal of method analysis?
Dividing and analyzing a job
Check individual human motions used to perform an operation
Determining the length of time it will take to undertake a particular task
Determining the amount of time a worker spends on various activities
Question No: 31 (Marks: 1) - Please choose one
Which one of the following is the goal of work sampling?
Individual human motions that are used in a job task
Determining the length of time it will take to undertake a particular task
Determining the amount of time a worker spends on various activities
Specifying the content and methods to perform a job
Work Sampling is the statistical technique for determining the proportion of time spent by workers in various defined categories of activity (e.g. setting up a machine, assembling two parts, idle…etc
http://en.wikipedia.org/wiki/Work_sampling
Question No: 32 (Marks: 1) - Please choose one
Which one of the following refers to a team having representatives from different functional areas of the organization?
Traditional work group
Self-directed team
Cross-functional team
Self motivated team
Question No: 33 (Marks: 1) - Please choose one
Which one of the following is NOT a business application of forecasting?
Budgeting
Capacity planning
Inventory management

Quality control

Page#31 Forecasting in business forms the basis for budgeting and planning for capacity, sales, production, inventory, manpower, purchasing and more.

Question No: 34 __ (Marks: 1) - Please choose one
Which one of the following factors makes a forecast LESS perfect?
Randomness
Non serious attitude
Non availability of data
Un qualified personnel
http://books.google.com.pk/books?id=tqVIT0xE4NAC&pg=PA69&dq=forecast+LESS+perfect+due+to+Randomness&hl=en&ei=SCR2TYC3E4Pzsgb0lKztCA&sa=X&oi=book_result&ct=result&resnum=10&ved=0CFgQ6AEwCQ#v=onepage&q=randomness%2C%20precludes%20a%20perfect%20forecast&f=false
Question No: 35 (Marks: 1) - Please choose one
An example of a business/industry that uses batch flow process structure is:
Commercial printer
Heavy equipment
Automobile assembly
Sugar refinery
Question No: 36 __ (Marks: 1) - Please choose one
Which one of the following is TRUE about work sampling?
It describes individual human motions that are used in a job task
It involves determining the length of time it will take to undertake a particular task
It involves determining the amount of time a worker spends on various activities
It provides standard times for micro motions such as reach, move and release
Question No: 37 (Marks: 1) - Please choose one
Which of the following is a difference of service organizations as compared to manufacturing organizations?
Manufacturing organizations are more specialized than service organizations
Manufacturing firms have more variety than service organizations.
Service firms are more flexible than manufacturing organizations
Manufacturing decisions are made by maximizing the profit potential (not sure)

Question No: 38 (Marks: 1) - Please choose one
All of the following are examples of time based strategies EXCEPT:
Products /service design time
Processing time
Response time for complaints
Response time for innovation
(handout page 18)
Question No: 39 __ (Marks: 1) - Please choose one

purpose is to coordinate and control all the required sources so that productive system can be used efficiently and to ensure the delivery of product in time.
Total quality control's
Demand management's
Forecasting's
Operations management's
Question No: 40 (Marks: 1) - Please choose one
Which one of the following is an advantage of a moving average forecast?
All the values in the average are weighted equally
The method is reliable to forecast the demand accurately
The method is easy to compute and easy to understand
The most recent values are given the more weight age

Paper 15

MIDTERM EXAMINATION

Spring 2009

MGT613- Production / Operations Management (Session - 2)

Within the operations function, which one of the following is a long-term management decision?

►Control decision

►Non-operational decision

►Strategic decision

►Tactical decision

Which one the following formula or function can be used to measure the performance?

► Flexibility + profit+ operations

►Work + profit + value

►Quality + speed + flexibility

►Profit + Incentives + standards

Ref:Value= Performance/Cost= (Quality +Speed+ Flexibility)/Cost

So Performance = Quality +Speed+ Flexibility

Which of the following statements corresponds to an order-winning characteristic?

►A factor which may be significant in other parts of the organization

►A factor which gives an organization a competitive edge

►A factor which serves as a minimum standard for purchase

►A factor which increases the profitability of the organization

As a manager, you have defined the purpose of the forecasts. What should be the next step in forecasting process?

►Choose a forecasting technique

►Determine the purpose of the forecast

►Set up a time horizon or a time limit

►Collect and analyze the appropriate data.

Which one of the following forecasting technique is based on historical data?

►Judgmental

►Associative

► Time series

► Qualitative

Ref: *time series* - uses historical data assuming the future will be like the past and depend on developing relationships between variables that can be expressed to predict future values.

Which one of the following forecasting techniques use subjective inputs from consumer surveys, sales staff, managers and experts?

►Time series

►Quantitative

►Judgmental

►Associative

Ref: · Judgmental - uses subjective inputs meaning that a judgmental forecast rely on analysis of subjective inputs obtained from various sources, such as consumer surveys, the sales staff, managers and executives, and panels of experts. These insights are not available publicly.

Which of the following approaches favours adopting a "go for it" strategy?

►Maximin

►Maximax

►Minimax regret

►Laplace

p#26

Possible future demand	
Low (Rs.)	**High (Rs.)**
10,000	8,000
12,000	20,000
18,000	15,000

Given the table:

Alternatives

Small facility Medium facility large facility

Which one of the following is the correct payoff under MAXIMAX approach?

►Rs. 10,000

►Rs.18,000

►Rs.20,000

►Rs.32,000

Which one of the following is NOT a step of decision making process?

►Develop alternatives

►Monitor results

►Consider risk averseness strategies

►Specify criteria for decision

Ref: 1. Specify Objectives and the Criteria for decision making

2. Develop Alternatives

3. Analyze and compare alternatives.

4. Select the best alternative.

5. Implement the chosen Alternative

6. Monitor the results to ensure the desired results are achieved.

Which one of the following stages of product life cycle relates to more predictable behaviour in terms of capacity requirements?

►Introduction

►Growth

►Maturity(not sure)

►Decline

***Plateau phase*: In the plateau or market maturity phase the size of market starts to become constant with no considerable growth. Once this phase is reached, organisations tend to have a stable market share, all things kept constant. At this stage, organisations increase profitability by reducing costs and utilising available manufacturing capacity to the maximum. However, there is the possibility of some organisations trying to increase profitability by increasing manufacturing capacity! The strategy is to increase manufacturing capacity, which results in reducing costs resulting in lower pricing which in turn helps gain market share. The increase in manufacturing capacity in the plateau or maturity phase however, is most often in small amounts than in large degrees**

Which one of the following statement is TRUE about cost-volume relationship?

►It represents the relationship between cost, revenue and volume of output.

►It represents the relationship between cost and volume of output.

►It represents the relationship between cost and revenue.

►It represents the relationship between inputs, cost and volume of output.

Ref: Cost Volume Relationship focuses on relationships between costs, revenue and volume of output.

Which one of the following formulae can be used to compute break even point?

►Q = VC / (R - VC)

►Q = FC / (R - VC)

►Q = VC / (R + FC)

►Q = FC / (R + VC)

Ref: QBEP = FC/ R-VC

Which of the following is a system designed to coordinate all activities and information needed to complete business processes?

►Enterprise resource planning

►Supply chain management

►New product development

►Customer relationship management

(page 509)http://books.google.com.pk/books?id=9hm1-xNYbIcC&pg=PA509&dq=system+designed+to+coordinate+all+activities+and+information+needed+to+complete+business+processes?&hl=en&ei=T8R3Te3iMI7QrQel56y_Cg&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCcQ6AEwAA#v=onepage&q=system%20designed%20to%20coordinate%20all%20activities%20and%20information%20needed%20to%20complete%20business%20processes%3F&f=false

Which of the following is NOT a characteristic of product layouts?

►High material handling costs

►Sequential arrangement of machines

►Standardized output

►Continuous production system

Ref: Lecture slide#19

1. High rate of output.

2. Low unit cost.

3. Labor specialization.

4. Low material handling cost.

5. High utilization of labor and equipment.

6. Established routing and scheduling.

7. Routing accounting and purchasing.

Which one of the following refers to using some of the components of old products in the manufacturing of new products?

►Manufacturability

►Remanufacturing

►Robust design

►Automation

p#51Ref: Design for Remanufacturing: Using some of the components of the old products in the manufacture of new products

What would be the availability if a carp hours between repairs, and the mean rep?

ble to operate for 250

►1.01

►5.03

►3.0

►0.98

Which one of the following is the goal of method analysis?

► Dividing and analyzing a job

►Check individual human motions used to perform an operation

►Determining the length of time it will take to undertake a particular task

►Determining the amount of time a worker spends on various activities

(slide 19)

http://docs.google.com/viewer?a=v&q=cache:7JxnvEitpVAJ:hodgesh.people.cofc.edu/DSCI304/PPT/10%2520Design%2520of%2520Work%2520Systems.pps+is+the+goal+of+method+analysis?+%E2%96%BA+Dividing+and+analyzing+a+job+%E2%96%BACheck+individual+human+motions+used+to+perform+an+operation+%E2%96%BADetermining+the+length+of+time+it+will+take+to+undertake+a+particular+task+%E2%96%BADetermining+the+amount+of+tim

e+a+worker+spends+on+various+activities&hl=en&pid=bl&srcid=ADGEESg98089PrQON31UO76B07KiZnAHJC27_ixZbrsmxk_tTH9ugfa4o-LOC24-Z2pYwoxHbnfe5nai0vGFbUZBAylXV3bq9nQj_xvUtjXq5xsAFOgb3FJ8b98rnwbhCjdKLszZ3_wm&sig=AHIEtbQqxWdZzZ-Z8lYAtU0yR4sqFt-20A&pli=1

Which one of the following is an example of regional factors that affect location decisions?

►Transportation

►Quality of life

►Development support

►Location of new markets

Which one of the following statements is true about Occupational Safety Hygiene Administration (OSHA)?

►To safeguard against potential hazards

►To develop cost effective processes

►To implement legal standards

► To carry out implication of manufacturability and fitness

http://63.234.227.130/dts/shib/shib101003.html

Which one of the following is used to produce gasoline and petroleum products?

►Job shop

►Batch processing

►Assembly line

►Continuous processing

Ref: ob shop produces low standardized products, batch produces multiple products and assembly line produces fewer major products. Project, on the other hand, is not a processing structure.

http://forecast.umkc.edu/ftppub/ba547/chapter_4.htm 2nd p ref

Continuous – Often, a physical system is represented through variables that are smooth and uninterrupted in time. The control of the water temperature in a heating jacket, for example, is an example of continuous process control. Some important continuous processes are the production of fuels, chemicals and plastics.

The type of processing structure that is used for producing discrete products at higher volume is:

►Continuous Flow

►Assembly Line

►Batch

►Job shop

Ref: http://highered.mcgraw-hill.com/sites/0073403296/student_view0/chapter7/multiple_choice_quiz.html

An example of a business/industry that uses batch flow process structure is:

►Commercial printer

►Heavy equipment

►Automobile assembly

►Sugar refinery

Ref: http://highered.mcgraw-hill.com/novella/QuizProcessingServlet

Quality, costs, lead times, operating resources are all related to which one of the following strategies.

►Organizational strategy

►Financial strategy

►Operational strategy

►Tectical strategy

All of the following are examples of the transformation process EXCEPT:

►Cutting

►Packing

►Facilitating

►**Labeling** **(not sure)**

Which of the following is a characteristic of linear regression?

It is superior to a moving average

► **It is a causal forecasting model**

► It compensates for both trend and season

► It is superior to an exponential smoothing

http://www.referenceforbusiness.com/encyclopedia/Fa-For/Forecasting.html

Paper 16

MIDTERM EXAMINATION

Spring 2010

MGT613- Production / Operations Management

Which of the following statements describes an order-qualifier characteristic?

► A competitive dimension used to make final decision among competitors

► A factor which directly and significantly contribute to winning business

► A factor which increases the profitability of the organization

► **A factor perceived as a minimum standard as a potential for purchase**

p#15 Order qualifiers are those significant characteristics that service customers perceive as minimum standards of acceptability to be considered as a potential purchase

In which one of the following decision environments it is impossible to assess the likelihood of various future events?

► Risk

► Bounded rationality

► Certainty

► Uncertainty

Uncertainty - Environment in which it is impossible to assess the likelihood of various future events

http://www.google.com/search?client=gmail&rls=gm&q=%22In%20which%20one%20of%20the%20following%20decision%20environments%20it%20is%20impossible%20to%20assess%20the%20likelihood%20of%20various%20future%20events%3F%22#sclient=psy&hl=en&client=gmail&rls=gm&q=%22impossible+to+assess+the+likelihood+of+various+future+events%3F%22&aq=f&aqi=&aql=&oq=&pbx=1&bav=on.2,or.&fp=369c8973645261b8

Which one of the following is an outcome of MINIMAX regret?

► The best of the worst possible payoff

► The best possible payoff

► The best average payoff

► The least of the worst regret

Maximin (pessimistic) - Choose the alternative with the best of the worst possible payoffs

Maximax (optimistic) - Choose the alternative with the best possible payoff

Laplace - Choose the alternative with the best average payoff of any of the alternatives

Minimax Regret - Choose the alternative that has the least of the worst regrets

Which one of the following is a limitation of a moving average having a trend?

► The forecast lags behind the actual

► The forecast represents demand more accurately

► The forecast will not be accurate

► The forecast will not be reliable

Which of the following is an example of a business that uses assembly line process structure?

► Automobile assembly

► Sugar refinery

► Heavy equipment

► French restaurants

http://www.netmba.com/operations/process/structure/

Which one of the following layout types is associated with car assembly?

► Fixed position layout

► Process layout

► Product layout

► Hybrid layout

A department store discovered that in a four-month period, the best forecast can be determined by using 50 percent of the sales for the most recent month, 20 percent of the sales of two months ago, 10 percent of the sales of three

months ago, and 20 percent of the sales of four months ago. Which forecasting method should the store use to forecast demand?

► Simple Moving Average

► Linear Regression

► Time Series Analysis

► Weighted Moving Average

Which one of the following statements is TRUE about product life cycle?

► It depicts demand of a product at various price levels

► It depicts demand of a product with respect to time

► It relates demand of a product to quality

► It relates demand of a product to market share

Which of following statement is true about effective capacity?

► It is the actual output achieved

► It is always less than actual output

► It is the maximum output that a firm can produce

► It is always less than designed capacity

http://books.google.com.pk/books?id=wUHzc8JtZzUC&pg=PA249&dq=effective+capacity+It+is+the+actual+output+achieved&hl=en&ei=4WV3TfycOIio8AP885jPCw&sa=X&oi=book_result&ct=result&resnum=1&sqi=2&ved=0CCcQ6AEwAA#v=onepage&q=effective%20capacity%20It%20is%20the%20actual%20output%20achieved&f=false

Which one of the following refers to bringing together engineering design and manufacturing personnel early in the design phase?

► Reverse engineering

► Concurrent engineering

► Manufacturability

► Serviceability

Concurrent engineering is the bringing together of engineering design and manufacturing personnel early in the design phase.

Which of the following refers to the way an organization chooses to produce its goods or services?

► Process selection

► Process reengineering

► Process redesign

► Process design

The purpose of _____ is to coordinate and control all the required sources so that productive system can be used efficiently and to ensure the delivery of product in time.

► Total quality control

► Demand management

► Forecasting

► Operations management

Which of the following is NOT **an attribute to classify services?**

► Tangibility

► Perish ability

► Simultaneity

► Courtesy

Which of the following is NOT an emerging trend in the workplace?

► Increasing workplace diversity

► Decreasing work schedule flexibility

► Increasing number of part time jobs

► Increasing use of temporary labor

Which method of forecasting is most widely used?

► Regression analysis

► Adaptive forecasting

► Weighted moving average

► Exponential smoothing

Which one of the following is concerned with short term capacity needs?

► Cycle

► Trends

► Seasonality

► Average

Which relationship exists between the robustness of a product and the probability of failure.

► Positive relation

► Direct relation

► Inverse relation(not sure)

► Negative relation

(page 218)
http://books.google.com/books?id=dSATqILWWhwC&pg=PA218&lpg=PA218&dq=robustness+of+a+product+and+the+probability+of+failure.&source=bl&ots=wW3iHah-Mb&sig=tgBoxG4DCJLRDDKoIh7Zd4C7IyU&hl=en&ei=0_WOTbjaIYf-vQOvreC3DQ&sa=X&oi=book_result&ct=result&resnum=1&ved=0CBMQ6AEwAA#v=onepage&q=robustness%20of%20a%20product%20and%20the%20probability%20of%20failure.&f=false

Which one of the following management functions is based on forecasting?

► Planning

► Organizing

► Leading

► Controlling

(page 35)
http://books.google.com.pk/books?id=YS1ThqtWLcoC&pg=PA34&dq=management+functions+is+based+on+forecasting?+%E2%96%BA+Planning+%E2%9

6%BA+Organizing+%E2%96%BA+Leading+%E2%96%BA+Controlling&hl=en&ei=rcF4TeO_GM-xrAeU3dnVBQ&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCsQ6AEwAA#v=onepage&q&f=false

(page 293)

http://books.google.com.pk/books?id=EK1ZuhUXCzcC&pg=PA292&dq=management+functions+is+based+on+forecasting?+%E2%96%BA+Planning+%E2%96%BA+Organizing+%E2%96%BA+Leading+%E2%96%BA+Controlling&hl=en&ei=rcF4TeO_GM-xrAeU3dnVBQ&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDAQ6AEwAQ#v=onepage&q&f=false

Which one of the following factors provides a basis for comparing alternative forecasting techniques?

► Time dimension

► Reliability factor

► Degree of accuracy

► Measuring units

(page 35) Accuracy. Forecasts should be accurate. In fact it should carry the degree of accuracy, so the users are aware of the limitations of the forecast. This will also help the end users to plan for possible errors and provide a basis for comparing the forecast with other alternative forecasts

Which of the following functions of an organization consists of all activities directly related to production of a good or service?

► Operations

► Marketing

► Accounting

► Finance

Which of following statement is true about effective capacity?

► It is the actual output achieved

► It is always less than actual output

► It is the maximum output that a firm can produce

► It is always less than designed capacity

In which one of the following decision environments it is impossible to assess the likelihood of various future events?

► Risk

► Bounded rationality

► Certainty

► Uncertainty

http://books.google.com/books?id=tqVIT0xE4NAC&pg=PA207&dq=decision+environments+it+is+impossible+to+assess+the+likelihood+of+various+future+events&hl=en&ei=PcN4TdCBJoiyrAfeway9BQ&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCcQ6AEwAA#v=onepage&q=decision%20environments%20it%20is%20impossible%20to%20assess%20the%20likelihood%20of%20various%20future%20events&f=false

Which of the following is NOT mark of a good layout in manufacturing?

► Bottleneck operations

► Straight line flow pattern

► Work stations close together

► Open plant floors (high visibility)

http://forecast.umkc.edu/ftppub/ba547/chapter_10.htm

All of the following are examples of time based strategies EXCEPT:

► Products /service design time

► Processing time

► Response time for complaints

► Response time for innovation

(Handout page 18)

Which one of the following is a key benefit of process plant strategy?

► Economies of scale

► Diseconomies of scale

► Product variety

► Task specialization

http://books.google.com/books?id=tqVIT0xE4NAC&pg=PA369&dq=key+benefit+of+process+plant+strategy&hl=en&ei=cjd1TaX5LIfNrQeo39DRCg&sa=X&oi=book_result&ct=result&resnum=2&ved=0CDIQ6AEwAQ#v=onepage&q=key%20benefit%20of%20process%20plant%20strategy&f=false

Which one of the following refers to a design that takes into account organization's operational capabilities, when designing a product?

► Design for assembly

► Design for manufacturing

► Design for recycling

► Design for disassembly

Question No: 28 (Marks: 1) - Please choose one
Which of the following layouts facilitates the handling of varied processing requirements?
► Product layout
► Process layout
► Fixed-position layout
► Hybrib/Combination layout

(page 80) 2. Process layout. A Layout that can handle varied processing requirements

Which one of the following forecasting techniques uses explanatory variables to predict future demand?
► Quantitative forecast
► Time series forecast
► Consumer survey
► Executive opinion
(Page 35)Quantitative Forecast involves the extension of the historical data. It sometimes makes use of forecasting technique that uses explanatory variables to predict future demands.