

National Testing Agency

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Operations Management

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Operations Management

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Sub-Section Id: 90958264
Question Shuffling Allowed : Yes

Question Number : 1 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The three major business functions necessary to all organizations are

- A. marketing, finance/accounting, production/operations.
- B. marketing, production, operations.
- C. marketing, finance/accounting, research & development.
- D. finance/accounting, personnel, operations.

□

Options :

1. A

2. B
3. C
4. D

Question Number : 2 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Productivity increases when

- A. inputs increase while outputs remain the same.
- B. inputs and outputs increase proportionately.
- C. outputs decrease while inputs remain the same.
- D. inputs decrease while outputs remain the same.

Options :

1. A
2. B
3. C
4. D

Question Number : 3 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

When a tangible product is NOT included in the service, it is called

- A. a pure service.
- B. a knowledge-based service.
- C. an intangible product.
- D. a direct service.

Options :

1. A
2. B
3. C
4. D

Question Number : 4 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Increases in productivity are difficult to achieve if

- A. the task is more quantitative and repetitive.
- B. the task is more physical and tangible.
- C. the task is more good-producing and standardized.
- D. the task is more intellectual and personal.

Options :

1. A
2. B
3. C
4. D

Question Number : 5 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

One measure of success for a firm is a high return on investment (ROI). Which of the following are NOT characteristics of high-return-on-investment firms?

- A. high capacity utilization
- B. low investment intensity
- C. high product quality relative to their competition
- D. high variety of product options

Options :

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

Question Number : 6 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A strategy is

- A. the purpose for which an organization is established.
- B. the goal that is to be achieved.
- C. an action plan to achieve a mission.
- D. a functional area of the firm.

Options :

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

Question Number : 7 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is NOT one of the 10 strategic OM decisions?

- A. marketing
- B. layout design
- C. location selection
- D. quality

Options :

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

Question Number : 8 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is NOT an OM strategy/issue during the introduction stage of the product life cycle?

- A. high production costs
- B. long production runs
- C. frequent product and process changes
- D. limited models

Options :

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

Question Number : 9 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Competing on differentiation is

- A. concerned with reliability of scheduling.
- B. based on flexibility.
- C. concerned with uniqueness.
- D. based upon low-cost leadership.

Options :

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

Question Number : 10 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

An operations manager would probably make the decision to lower productive capacity for a product entering which phase of the product life cycle?

- A. decline
- B. introduction
- C. growth
- D. maturity

Options :

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

Question Number : 11 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Competing on cost is

- A. concerned with reliability of scheduling.
- B. based on flexibility.
- C. concerned with uniqueness.
- D. based upon low-cost leadership.

Options :

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

Question Number : 12 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The forecasting time horizon that would typically be easiest to predict for would be the

- A. intermediate range.
- B. long-range.
- C. short-range.
- D. medium-range.

Options :

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

Question Number : 13 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A forecast that projects a company's sales is a(n)

- A. economic forecast.
- B. technological forecast.
- C. demand forecast.
- D. associative model.

Options :

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

Question Number : 14 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The method that considers several variables that are related to the variable being predicted is

- A. exponential smoothing.
- B. weighted moving average.
- C. multiple regression.
- D. Simple regression

Options :

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

Question Number : 15 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The forecasting model that is based upon salesperson's estimates of expected sales is

- A. consumer market survey.
- B. delphi method.
- C. sales force composite.
- D. jury of executive opinion.

Options :

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

Question Number : 16 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Decomposing a time series refers to breaking down past data into the components of

- A. constants and variations.
- B. long-term, short-term, and medium-term variations.
- C. trends, cycles, seasonal and random variations.
- D. strategy, tactical, and operational variations.

Options :

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

Question Number : 17 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Linear regression is most similar to

- A. the simple moving average method of forecasting.
- B. the naïve method of forecasting.
- C. the trend projection method of forecasting.
- D. the weighted moving average method of forecasting.

Options :

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

Question Number : 18 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is NOT a time-series model?

- A. naïve approach
- B. exponential smoothing
- C. moving averages
- D. linear regression

Options :

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

Question Number : 19 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

If demand is 106 during January, 120 in February, 134 in March, and 142 in April, what is the 3-month simple moving average for May?

- A. 131
- B. 132
- C. 134
- D. 135

Options :

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

Question Number : 20 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Given last period's forecast of 65, and last period's demand of 62, what is the simple exponential smoothing forecast with an alpha of 0.4 for the next period?

- A. 63.8
- B. 63.9
- C. 63.6
- D. 63.5

Options :

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

Question Number : 21 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

An assembly chart is a(n)

- A. exploded view of the product.
- B. list of the operations necessary to produce the component.
- C. schematic showing how the product is assembled.
- D. instruction to make a given quantity of a particular item.

Options :

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

Question Number : 22 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is NOT a concept of green manufacturing?

- A. use less harmful ingredients.
- B. make products recyclable.
- C. make products so that small variations in production do not adversely affect the product.
- D. use lighter components.

Options :

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

Question Number : 23 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is an external product development strategy?

- A. new internally developed products
- B. joint venture
- C. enhancements to existing products
- D. migrations of existing products

Options :

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

Question Number : 24 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

In the service industry, the crucial moment that exemplifies, enhances, or detracts from the customer's expectations is called

- A. the moment of truth.
- B. the payoff.
- C. the state of nature.
- D. the critical instant.

Options :

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

Question Number : 25 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

When a customer places a request for a product or service with a producer

- A. an engineering change notice is created.
- B. a decision tree is created.
- C. an assembly chart is created.
- D. a work order is created.

Options :

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

Question Number : 26 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is characteristic of the maturity phase?

- A. competitors are well established.
- B. product designs begin to stabilize.
- C. products are considered for termination.
- D. products are "fine-tuned."

Options :

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

Question Number : 27 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Listing products in descending order of their individual dollar contribution to the firm is called

- A. product-by-value analysis.
- B. value analysis.
- C. value engineering.
- D. brainstorming.

Options :

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

Question Number : 28 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The U.S. National Quality Award is named after

- A. Genichi Taguchi.
- B. Joseph Juran.
- C. Malcolm Baldrige.
- D. W. Edwards Deming.

Options :

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

Question Number : 29 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Taguchi's quality loss function is based on a

- A. binomial distribution.
- B. negative exponential distribution.
- C. linear equation.
- D. quadratic equation.

Options :

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

Question Number : 30 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The Taguchi method includes three major concepts. These include all of the following, except

- A. employee involvement.
- B. quality robustness.
- C. target-oriented quality.
- D. quality loss function.

Options :

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

Question Number : 31 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Cause-and-effect diagrams are also known as

- A. process charts.
- B. fish-bone charts.
- C. target specification graphs.
- D. Pareto charts.

Options :

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

Question Number : 32 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Attribute inspection measures

- A. if the product is good or bad.
- B. if cause and effect are present.
- C. if product responsiveness is adequate.
- D. the range of a characteristic.

Options :

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

Question Number : 33 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Quality is defined as

- A. how well a product fits patterns of consumer preferences.
- B. even though it cannot be defined, you know what it is.
- C. the degree of excellence at an acceptable price and the control of variability at an acceptable cost.
- D. the totality of features and characteristics of a product that bear on its ability to satisfy stated or implied needs.

Options :

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

Question Number : 34 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

One hundred percent inspection

- A. means that every part is checked to see whether or not it is defective.
- B. catches all of the defective parts.
- C. is practical and an excellent fit for world-class manufacturers.
- D. means that only good parts will be shipped to a customer.

Options :

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

Question Number : 35 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is NOT a common TQM tool?

- A. Pareto charts
- B. queuing models
- C. cause and effect diagrams
- D. process charts

Options :

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

Question Number : 36 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

In which of the four major categories of quality costs would the costs associated with scrap and rework belong?

- A. appraisal
- B. internal failure
- C. prevention
- D. external

Options :

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

Question Number : 37 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the TQM tools would be best suited for displaying the number of students majoring in each business discipline?

- A. flow chart
- B. scatter diagram
- C. cause and effect diagram
- D. histogram

Options :

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

Question Number : 38 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A device or technique that ensures production of a good unit every time is a

- A. poka-yoke.
- B. control chart.
- C. zero defect.
- D. fail-safe.

Options :

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

Question Number : 39 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

This quality leader said that quality is free; it is non-quality that is expensive.

- A. Phil Crosby
- B. W. Edwards Deming
- C. Armand Feigenbaum
- D. Joseph Juran

Options :

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

Question Number : 40 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

One determinant of service quality is ____, which means the firm performs the service right the first time and that the firm honors its promises.

- A. responsiveness
- B. competence
- C. reliability
- D. credibility

Options :

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

Question Number : 41 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which type of control chart should be used when it is possible to have more than one mistake per item?

- A. p-chart
- B. x-bar chart
- C. c-chart
- D. R-chart

Options :

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

Question Number : 42 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

One type of control chart for attributes is a

- A. C_{PK} chart.
- B. R-chart.
- C. x-bar chart.
- D. p-chart.

Options :

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

Question Number : 43 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

If a sample of parts is measured and the mean of the sample measurements is outside the control limits

- A. the process is in control, but not capable of producing within the established control limits.
- B. the process is within the established control limits with only natural causes of variation.
- C. The process variance must also be in control.
- D. the process is out of control and the cause can be established.

Options :

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

Question Number : 44 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Process capability

- A. exists when C_{PK} is less than 1.0.
- B. means that the natural variation of the process must be small enough to produce products that meet the standard.
- C. cannot be measured.
- D. exists when the process is perfectly centered.

Options :

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

Question Number : 45 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The object of a statistical process control (SPC) system is to

- A. assess the customer expectations.
- B. provide a signal when assignable variations are present.
- C. eliminate natural variation.
- D. provide a signal when natural variations are present.

Options :

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

Question Number : 46 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

In acceptance sampling, the producer's risk is the risk of having a

- A. good lot accepted.
- B. bad lot rejected.
- C. good lot rejected.
- D. bad lot accepted.

Options :

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

Question Number : 47 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Twenty samples of size 100 are taken. The total number of defective items is 75. What is the UCL of the 3-sigma ($z=3$) p-chart?

- A. 0.037
- B. 0.793
- C. 0.094
- D. 0.165

Options :

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

Question Number : 48 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A customer service hotline has received an average of 7 complaints a day for the last 25 days. What type of control chart should be used to monitor this hotline?

- A. R-chart
- B. p-chart
- C. X-bar chart
- D. c-chart

Options :

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

Question Number : 49 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A bottling company runs a filling process that should fill bottles with 12 plus or minus 0.04 ounces. A capability study reveals that the process mean is 12 ounces and the standard deviation is 0.01 ounces. What is the capability of the bottling process?

- A. 0.67
- B. 1.5
- C. 1.33
- D. 0.75

Options :

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

Question Number : 50 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A manufacturing engineer is designing a process that must be able to produce a shaft with a diameter of 2.5 cm plus or minus 0.01 cm. If the process capability must be 1.5, what is the maximum process standard deviation?

- A. 2.0049
- B. 0.0133
- C. 0.0200
- D. 0.0022

Options :

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

Question Number : 51 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which is the best statement regarding an operating characteristic curve?

- A. As the fraction defective decreases, the probability of accepting the lot also decreases.
- B. As the AQL decreases, the producer's risk also decreases.
- C. As the lot tolerance percent defective decreases, the consumer's risk also decreases.
- D. As the fraction defective increases, the probability of accepting the lot also increases.

Options :

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

Question Number : 52 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A box of 1000 parts is subjected to an acceptance sampling plan that examines only 50 parts. The actual fraction defective in the box is 0.02 and the sampling plan has a 0.53 probability of accepting a box of this quality. What is the average outgoing quality for this scenario?

- A. 0.53
- B. 0.02
- C. 0.01
- D. 0.51

Options :

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

Question Number : 53 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Low-volume, high-variety production is best suited for which of the following process strategies?

- A. process focus
- B. product focus
- C. mass customization
- D. repetitive focus

Options :

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

Question Number : 54 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

High-volume, low-variety production is best suited for which of the following process strategies?

- A. repetitive focus
- B. mass customization
- C. product focus
- D. process focus

Options :

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

Question Number : 55 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A process focus is

- A. based on the classical assembly line.
- B. a production facility organized around specific activities.
- C. organized around products.
- D. a rapid, low-cost production that caters to constantly changing unique customer desires.

Options :

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

Question Number : 56 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Of the four tools used for process analysis and design, which one focuses on the customer interaction?

- A. process charts
- B. service blueprinting
- C. time-function mapping
- D. flow-diagrams

Options :

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

Question Number : 57 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the quadrants in the service process matrix has high labor intensity and high customization?

- A. professional service
- B. service shop
- C. service factory
- D. mass service

Options :

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

Question Number : 58 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Work in process inventory is highest in

- A. mass customization.
- B. process focus.
- C. product focus.
- D. repetitive focus.

Options :

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

Question Number : 59 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A large quantity and large variety of products are produced in

- A. repetitive focus.
- B. product focus.
- C. mass customization.
- D. process focus.

Options :

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

Question Number : 60 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The movement of product is measured in hours and days in a _____ type of plant.

- A. mass customization
- B. repetitive focus
- C. product focus
- D. process focus

Options :

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

Question Number : 61 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Scheduling is relatively simple and concerned with establishing a rate of output sufficient to meet sales forecasts in a _____ type of factory.

- A. process focus
- B. product focus
- C. repetitive focus
- D. mass customization

Options :

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

Question Number : 62 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

This type of process analysis tool is a schematic of the movement of material, product or people.

- A. process charts
- B. process mapping
- C. flow diagram
- D. value stream mapping

Options :

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

Question Number : 63 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

In many applications, human quality inspectors can be replaced effectively by

- A. RFID tags.
- B. vision systems.
- C. automated storage and retrieval systems.
- D. FMS.

Options :

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

Question Number : 64 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Efficiency is given by

- A. effective capacity divided by actual output.
- B. actual output divided by effective capacity.
- C. capacity divided by utilization.
- D. actual output divided by design capacity.

Options :

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

Question Number : 65 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The maximum output of a system in a given period is called the

- A. effective capacity.
- B. efficiency.
- C. break-even point.
- D. design capacity.

Options :

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

Question Number : 66 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Costs that continue even if no units are produced are called

- A. marginal costs.
- B. variable costs.
- C. fixed costs.
- D. mixed costs.

Options :

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

Question Number : 67 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A facility with a design capacity of 1,000 units, an actual average of 800 units, and effective capacity of 850 units has a utilization of

- A. 80%
- B. 94%
- C. 125%
- D. 85%

Options :

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

Question Number : 68 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A facility with a design capacity of 1,000 units, an actual average of 800 units, and effective capacity of 850 units has an efficiency of

- A. 94%
- B. 80%
- C. 50%
- D. 85%

Options :

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

Question Number : 69 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

When demand exceeds capacity, a firm should

- A. lower prices.
- B. temporarily lay-off workers.
- C. advertise.
- D. add workers.

Options :

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

Question Number : 70 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following actions would be best if a firm faced highly seasonal demand for a perishable product?

- A. Hire and fire employees as demand fluctuates.
- B. Build up inventory when demand is low.
- C. Offer a product with a complementary demand pattern.
- D. Add warehouse and production building space to accommodate the highest period of demand.

Options :

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

Question Number : 71 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The most aggressive and risky approach to capacity planning is

- A. attempts to have an average capacity that straddles demand with incremental expansion.
- B. leading demand with incremental expansion.
- C. leading demand with one-step expansion.
- D. capacity lags with incremental expansion.

Options :

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

Question Number : 72 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

What is the major difference in focus between location decision in the service sector and in the manufacturing center?

- A. The focus in service is revenue maximization, while the focus in manufacturing is cost minimization.
- B. The focus in manufacturing is on labor, while the focus in service is on raw materials.
- C. There is no difference in focus.
- D. The focus in manufacturing is revenue maximization, while the focus in service is cost minimization.

Options :

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

Question Number : 73 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Service/retail/professional location analysis typically has a

- A. labor focus
- B. cost focus
- C. revenue focus
- D. environmental focus

Options :

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

Question Number : 74 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Industrial location analysis typically has a

- A. cost focus.
- B. environmental focus.
- C. labor focus.
- D. revenue focus.

Options :

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

Question Number : 75 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is NOT a factor in the country location decision?

- A. labor availability
- B. zoning restrictions
- C. government rules
- D. location of markets

Options :

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

Question Number : 76 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is NOT a factor in the final site selection decision?

- A. site size
- B. transportation systems
- C. cultural issues
- D. environmental impact issues

Options :

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

Question Number : 77 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The transportation method

- A. finds the location of a distribution center that minimizes distribution costs.
- B. determines the best pattern of shipments from several points of supply to several points of demand.
- C. performs a cost-volume analysis.
- D. uses both qualitative and quantitative factors.

Options :

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

Question Number : 78 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A goods-producing location decision would stress the importance of

- A. utility and labor costs.
- B. security and lighting.
- C. parking and access.
- D. appearance and image.

Options :

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

Question Number : 79 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Your desire to run your own automobile company takes you to Detroit because it is advantageous to have

- A. proximity to markets.
- B. proximity to intangible costs.
- C. proximity to competitors.
- D. proximity to suppliers.

Options :

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

Question Number : 80 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

In process-oriented and fixed-position layouts, it is important to minimize the costs of

- A. material handling.
- B. raw material.
- C. skilled labor.
- D. special purpose machinery.

Options :

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

Question Number : 81 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A major assumption of stability of demand is important for justifying which of the following layout types?

- A. fixed-position layout
- B. warehouse
- C. product layout
- D. process layout

Options :

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

Question Number : 82 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A fixed-position layout

- A. groups workers, their equipment, and spaces/offices to provide for movement of information.
- B. addresses the layout requirements of large, bulky, projects such as ships and buildings.
- C. seeks the best personnel and machine utilization in repetitive or continuous production.
- D. allocates shelf space and responds to customer behavior.

Options :

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

Question Number : 83 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A process-oriented layout

- A. allocates shelf space and responds to customer behavior.
- B. seeks the best personnel and machine utilization in repetitive or continuous production.
- C. deals with low-volume, high-variety production.
- D. addresses the layout requirements of large, bulky projects such as ships and buildings.

Options :

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

Question Number : 84 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A product-oriented layout

- A. deals with low-volume, high-variety production.
- B. groups workers, their equipment, and spaces/offices to provide for movement of information.
- C. addresses the layout requirements of large, bulky projects such as ships and buildings.
- D. seeks the best personnel and machine utilization in repetitive or continuous production.

Options :

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

Question Number : 85 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A big advantage of a process-oriented layout is

- A. its flexibility.
- B. the simplified scheduling problem presented by this layout strategy.
- C. its low cost.
- D. the ability to employ low-skilled labor.

Options :

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

Question Number : 86 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Cross-docking

- A. uses the warehouse to add value to the product through component modification, repair, labeling, or packaging.
- B. locates stock wherever there is an open location.
- C. avoids placing the materials or supplies in storage by processing them as they are received for shipment.
- D. is a machine-paced, product-oriented facility for building components.

Options :

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

Question Number : 87 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Generally the goal of assembly line balancing is to

- A. minimize the efficiency of the line.
- B. minimize imbalance between machines or persons while meeting a required output from the line.
- C. maximize the number of workstations.
- D. is to determine the maximum time that an item remains at a workstation.

Options :

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

Question Number : 88 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A permanent product-oriented arrangement of machines and personnel in what is ordinarily a process-oriented facility is called a

- A. focused factory.
- B. work cell.
- C. focused work center.
- D. assembly line.

Options :

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

Question Number : 89 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Work cells typically have

- A. increased direct labor needs due to specialization.
- B. increased raw materials inventory.
- C. reduced investment in machinery and equipment.
- D. increased work-in-process inventory.

Options :

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

Question Number : 90 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The servicescape consideration that addresses customer circulation path planning and aisle characteristics is

- A. spatial layout and functionality.
- B. signs and symbols.
- C. ambient conditions.
- D. artifacts.

Options :

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

Question Number : 91 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

With regard to the cost-based price model of negotiation strategy, which of the following is true?

- A. Prices are based upon vendor costs.
- B. Potential vendors each submit quotations as to price, delivery, and so on.
- C. Prices are based in some way upon market standards agreed to by both vendor and purchaser.
- D. Prices float based on what the customer is willing to pay.

Options :

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

Question Number : 92 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The term vertical integration means to

- A. develop the ability to produce the specified good more efficiently.
- B. develop the ability to produce products that complement or supplement the original product.
- C. sell all products to every member of your customer chain simultaneously.
- D. produce goods or services previously purchased.

Options :

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

Question Number : 93 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is a reason for making a component rather than buying it?

- A. obtain technical or managerial ability
- B. ensure alternate sources
- C. inadequate capacity
- D. obtain desired quality

Options :

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

Question Number : 94 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The advantage of many potential suppliers is their willingness to

- A. provide innovations.
- B. lower prices in the short term.
- C. participate in JIT.
- D. provide technical expertise.

Options :

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

Question Number : 95 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The negotiation strategy that bases price on a published, auction, or index price is the

- A. market-based price model.
- B. cost-based price model.
- C. competitive bidding.
- D. supply-based price model.

Options :

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

Question Number : 96 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The vendor selection stage that requires the development of evaluation criteria and the importance of each is

- A. vendor development.
- B. vendor evaluation.
- C. negotiations.
- D. logistics.

Options :

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

Question Number : 97 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A producer decides to implement new quality procedures and send their engineers and production personnel to a supplier's plant in order to train them on these new procedures. This activity takes place in the _____ stage of vendor selection.

- A. evaluation
- B. training
- C. negotiations
- D. development

Options :

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

Question Number : 98 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A lawnmower assembly plant uses a variety of nuts, bolts, screws, and other fasteners in their operation. Their supplier delivers these items directly to the point of use on the assembly line and ensures that there are always sufficient quantities of fasteners to maintain the production schedule. This is an example of

- A. single stage control of replenishment.
- B. vendor-managed inventory.
- C. e-procurement.
- D. postponement.

Options :

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

Question Number : 99 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of these statements regarding outsourcing is best?

- A. businesses early in their life cycle tend to outsource more activities than businesses late in their life cycle.
- B. if an activity is outsourced, it must by definition, also be offshored.
- C. outsourcing is a recent concept.
- D. the reduced cost of more reliable transportation is a contributing factor to increased outsourcing.

Options :

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

Question Number : 100 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The motivation for internal outsourcing comes from

- A. the theory of comparative advantage.
- B. the theory of constraints.
- C. the theory of distributed systems.
- D. the theory of competitive exchange

Options :

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

Question Number : 101 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Occasionally an outsourcing agreement is reconsidered and the business activities are returned to the original firm. This practice is called

- A. horizontal integration.
- B. back sourcing.
- C. re-sourcing.
- D. vertical derivation.

Options :

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

Question Number : 102 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

One use of inventory is

- A. to provide a hedge against inflation.
- B. to tightly link production and distribution processes.
- C. to tightly link a firm's production with its customers' demand.
- D. to ensure that item cost is maximized.

Options :

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

Question Number : 103 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

ABC analysis divides an organization's on-hand inventory into three classes based upon

- A. the number of units on hand.
- B. annual demand.
- C. unit price.
- D. annual rupee volume.

Options :

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

Question Number : 104 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The difference(s) between the basic EOQ model and the production order quantity model is (are) that

- A. the production order quantity model does not require the assumption of known, constant demand.
- B. the EOQ model does not require the assumption of known, constant lead time.
- C. there are no holding costs in the production order quantity model.
- D. the production order quantity model does not require the assumption of instantaneous delivery.

Options :

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

Question Number : 105 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Extra units that are held in inventory to reduce stockouts are called

- A. just-in-time inventory.
- B. reorder point.
- C. safety stock.
- D. demand variance.

Options :

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

Question Number : 106 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The two most important inventory-based questions answered by the typical inventory model are

- A. when to place an order and how many of an item to order.
- B. how many of an item to order and what is the cost of this order.
- C. how many of an item to order and with whom the order should be placed.
- D. when to place an order and what is the cost of the order.

Options :

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

Question Number : 107 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The appropriate level of safety stock is typically determined by

- A. choosing the level of safety stock that assures a given service level.
- B. taking the square root of the economic order quantity.
- C. minimizing expected stockout cost.
- D. carrying sufficient safety stock so as to eliminate all stockouts

Options :

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

Question Number : 108 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

In the probabilistic model, increasing the service level will

- A. have no impact on the cost of the inventory policy.
- B. reduce the cost of the inventory policy.
- C. increase the cost of the inventory policy.
- D. cannot be determined.

Options :

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

Question Number : 109 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A system that triggers ordering on a uniform time basis is called a

- A. fixed-quantity system.
- B. fixed-period system.
- C. reorder point system.
- D. EOQ.

Options :

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

Question Number : 110 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A company wishes to determine the EOQ for an item that has an annual demand of 2,000 units, a cost per order of INR75, and annual carrying cost of INR7.50 per unit. What is the EOQ?

- A. 200 units
- B. 40,000 units
- C. 100
- D. 73

Options :

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

Question Number : 111 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A production facility is trying to determine the best batch size for an item that is produced intermittently. This item has an annual demand of 1,000 units, an annual carrying cost of INR10 per unit, and a setup cost of INR400. They operate 50 weeks per year, and can produce 40 units per week. What is the optimum batch size for this item?

- A. 283
- B. 400
- C. 65
- D. 800

Options :

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

Question Number : 112 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A store wants to ensure a shelf full of marshmallow peeps as the holiday season approaches. Daily demand for peeps is normally distributed with a mean of 25 and a standard deviation of 5. Lead time is 3 days and the store intends a 98% service level. What is their reorder point?

- A. 107
- B. 93
- C. 87
- D. 75

Options :

- 1. A
- 2. B

3. C

4. D

Question Number : 113 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A production facility is trying to expand production on a machine that is currently used to produce one part. This item has an annual demand of 1,000 units, an annual carrying cost of INR10 per unit, and a setup cost of INR400. They operate 50 weeks per year, and can produce 40 units per week. What percentage of the time are they using this machine?

A. 30%

B. 20%

C. 50%

D. 40%

Options :

1. A

2. B

3. C

4. D

Question Number : 114 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Policies based on ABC analysis might include investing

A. more in supplier development for A items.

B. more in inventory security for C items.

C. extra care in forecasting for C items.

D. the most time and effort verifying the accuracy of records for B items.

Options :

1. A

2. B

3. C

4. D

Question Number : 115 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

A system that keeps track of each withdrawal or addition to inventory continuously is

A. a perpetual inventory system.

B. a fixed period system.

C. a continuous inventory system.

D. a fixed quantity system.

Options :

1. A

2. B

3. C

4. D

Question Number : 116 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Aggregate planning is concerned with determining the quantity and timing of production in the

- A. intermediate term.
- B. short term.
- C. long term.
- D. next term

Options :

1. A

2. B

3. C

4. D

Question Number : 117 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Yield management is of interest in organizations having the characteristic of

- A. high variable costs.
- B. demand can be segmented.
- C. stable demand.
- D. low fixed costs.

Options :

1. A

2. B

3. C

4. D

Question Number : 118 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which statement is characteristic of a mixed strategy for aggregate planning?

- A. mixed plans are less complex to develop than a level plan.
- B. mixed plans are less complex to develop than a chase plan.
- C. mixed plans typically yield a worse strategy than a pure plan.
- D. mixed plans seek a minimum cost via a combination of eight planning options.

Options :

1. A

2. B

3. C

4. D

Question Number : 119 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Which of the following is NOT a demand option of aggregate planning?

- A. using part-time workers
- B. influencing demand
- C. counter seasonal product and service mixing
- D. back ordering during high-demand periods

Options :

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

Question Number : 120 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

In the service sector, aggregate planning for the production of high-volume intangible output is directed toward

- A. planning for human resource requirements and managing demand.
- B. attempting to manage demand to keep equipment and employees working.
- C. finding the size of the workforce to be employed.
- D. smoothing the production rate.

Options :

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

Question Number : 121 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The concept of total quality control, i.e. that quality must be attended to at all stages of the industrial cycle and throughout the organisation, is the creation of which of the following pioneers?

- A. Joseph M Juran
- B. Genichi Taguchi
- C. W Edwards Deming
- D. Armand Feigenbaum

Options :

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

Question Number : 122 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The so-called 'quality gurus' of total quality management (TQM) do NOT include which one of the following?

- A. Joseph M Juran
- B. W Edwards Deming
- C. Bill Cosby
- D. Kaoru Ishikawa

Options :

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

Question Number : 123 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The specific concerns of total quality management (TQM) include a number of aspects. Which of the following is NOT normally associated with TQM?

- A. Primarily a 'worker' rather than a management activity
- B. Meeting the needs and expectations of customers
- C. Inclusion of every person in the organisation
- D. Covering all parts of the organization

Options :

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

Question Number : 124 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

The preferred method for achieving total quality in process output is to

- A. Build and install an error-proof process and maintain it.
- B. Rely on a team of highly trained and dedicated inspectors.
- C. Rely on operator self-inspection and self-correction.
- D. Perform inspection at the next process.

Options :

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

Question Number : 125 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 0.8 Wrong Marks : 0

Total quality management (TQM) programmes are more likely to remain effective if a number of prescriptions are followed. Which of the following prescriptions should NOT be followed?

- A. TQM should become a substitute for normal managerial leadership.
- B. TQM does not become a separate 'bolt-on' set of activities.
- C. Slogans and exhortations about TQM's effectiveness are avoided.
- D. Quality improvement relates to an operation's performance objectives.

Options :

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