

**All Final Term Solved Paper of MGT613-POMA in One File
Almost 8 Papers**

By

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FINAL TERM EXAMINATION

Fall 2008

MGT613- Production / Operations Management (Session - 1)

Question No: 1 (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: 2 (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: 3 (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

Question No: 4 (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

Question No: 5 (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: 6 (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

Question No: 7 (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: 8 (Marks: 1) - Please choose one

Which method of forecasting is most widely used?

Regression analysis

Adaptive forecasting

Weighted moving average

Exponential smoothing

Question No: 9 (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: 10 (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

Question No: 11 (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

Question No: 12 (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

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

Suppose customers hold negative perception about service provided by XYZ organization. According to SERVQUAL model; which of the following can be the reason for this negative perception?

Differences between Expected and Perceived Quality

Difference between service delivery and external communication with customers

- Difference between customer s expectations and management s perception about their expectations
- Difference between manager s expectations of service quality and specifications of service quality of customers

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

Which of the following depicts the overall goal of total quality management?

Achieve customer satisfaction

- Earn high profit
- Enhance organization s productivity
- Achieve cost efficiency

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

Which of the following involves incremental changes within the organization whose Cumulative effect is to deliver an increased rate of performance enhancement?

Continuous improvement

- Competitive benchmarking
- Business process re-engineering
- Statistical process control

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

Which of the following cost is expected to be borne due to defective products?

Failure cost

Prevention cost
Appraisal cost
Marketing cost

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

Which of the following is an example of appraisal cost?

Re-work cost
Warranty cost

Testing cost

Monitoring cost

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

Which of the following is an example of prevention cost?

Re-work cost
Warranty cost
Testing cost

Monitoring cost

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

Which of the following cost is associated with the quality of the product?

Stockholding cost
Distribution cost
Marketing cost

Failure cost

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

Identify the stage of the DMAIC (Define, Measure, Analyze, Improve and Control) methodology which involves eliminating the root causes of non-random variation.

Define
Measure
Analyze

Improve

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

Which of the following statement defines process re-design?

It is collecting information, identifying each step and finding inputs and outputs of process

It is collecting information about cost reduction and improving the defects

It relates to asking questions about process flow and identifying missing or duplicating activities

It relates with taking a fresh approach to solve an issue on hand

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

Which of the following represents a specified range of values in which individual units of? output must fall in order to be acceptable?

Tolerance

Run test

Process capability

Process variability

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

Which one of the following is an example of a long range plan?

Location layout

Work schedule

Machine loading

Backorder

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

Identify the set of factors that affect the choice of a strategy for aggregate planning.

Cost and corporate policy

Cost and location analysis

Cost and capacity constraints

Cost and training of employees

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

What would be the total cost of inventory, if a firm holds 800 units of a product A , with the carrying cost of Rs. 4 per unit?

Rs. 796

Rs. 804

Rs. 3200

Rs. 200

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

MPS stands for which of the following?

Material Production Schedule

Master Planning Schedule

Material Planning Schedule

Master Production Schedule

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

Which of the following is the costs of carrying an item in inventory for a specific period

of time?

Ordering cost

Holding cost

Shortage cost

Stock out cost

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

Which one of the following mathematical expressions can be used to compute annual ordering cost?

$(D+Q)S$

$(D/Q)S$

$D+Q+S$

$(D/S)Q$

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

There is no inventory buildup when:

Usage rate exceeds production rate

Usage and production rates are equal

Production rate exceeds usage rate

Orders are frequently placed

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

Master schedule interfaces with all of the following Except:

Capacity planning

Resource planning

Production planning

Distribution planning

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

Which of the following statements defines the purpose of MRP (Material Requirements Planning) system?

It is appropriate for all end items in the product line

It can be used for independent demand items

It reduces inventory requirements, lead times, and delivery times

It determines an appropriate master production schedule

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

Which of the following statements is TRUE about Just-in-Time?

It is essential for a project organization

It pushes inventory through the operations process

It is only useful in a high product variety environment

It seeks to reduce inventory in an effort to reduce waste

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

Capacity requirements planning determines _____ range capacity requirements

Short

Intermediate

Long

Both short and long

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

Which of the following formula is correct for Kanban system?

$$N=DX(1+T)/C$$

$$N=DC(1+X)/T$$

$$**N=DT(1+X)/C**$$

$$N=DT(1+C)/X$$

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

Big JIT includes all of the following EXCEPT:

Vendor relations

Scheduling materials

Human relations

Technology management

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

Which of the following reasons accounts for the importance of supply chain management?

Increasing competitive pressures

Decreasing globalization

Decreasing levels of outsourcing

Increasing transportation costs

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

Which of the following is NOT a benefit of supply chain management?

Less variety

Greater agility

Lower inventory

Higher productivity

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

Which of the following is a system for inventory management and distribution planning?

Electronic Data Interchange (EDI)

Enterprise Resource Planning (ERP)

Distribution Resource Planning (DRP)

Materials Resource Planning (MRP)

Distribution requirements planning (DRP) is a system for inventory management and distribution planning.

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

Which one of the following refers to the assignment of jobs to process centers?

Sequencing

Loading

Scheduling

Budgeting

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

Which one of the following is a type of Gantt chart that shows management of work flow and queues at the work centers?

Load chart

Schedule chart

Input/output control chart

None of the given options

Question No: 41 (Marks: 1) - Please choose one

Which one of the following is focused to reduce the incidence of failures in the plant or equipment to avoid the associated costs?

Reactive maintenance

Total productive maintenance

Preventive maintenance

Predictive maintenance

Preventive maintenance: goal is to reduce the incidence of breakdowns or failures in the plant or equipment to avoid the associated costs

Question No: 42 (Marks: 1) - Please choose one

Which of the following relates to an organizational structure based on teams formed? specifically for projects?

Project structure

Functional structure

Balanced matrix structure

Project matrix structure

FINAL TERM EXAMINATION

Fall 2008

MGT613- Production / Operations Management (Session - 1)

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

An organization has describe its distinctive characteristic now what is the next step in strategy formulation process?

Competitor's distinctiveness

Selecting the market segment

Environmental scanning

Productivity Measures

Question No: 3 (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 resisit human factor, personal opinions.

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

opinion.

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

Which one of the following factors provides a basis for comparing alternative forecasting techniques?

Time dimension

Reliability factor

Degree of accuracy

Measuring units

Question No: 5 (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 MINIMAX regret approach?

Rs. 12,000

Rs. 6,000

Rs. 5,000

Rs. 16,000

Solution: In MINIMAX regret best possible pay off is selected. Which is 12000 in this question.

Low (Rs.)	High (Rs.)
10000 - 10000 = 0	8000 - 8000 = 0

$6000 - 10000 = -4000$	$20000 - 8000 = 12000$
$5000 - 10000 = -5000$	$15000 - 8000 = 7000$

Question No: 6 (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: 7 (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

Question No: 8 (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

Ref:

[http://books.google.com.pk/books?id=zVvnckgGZgkC&pg=PA89&dq="Labour+costs+are+higher+in+a+Job+Shop+operation+than+in+most+other+processes"&hl=en&ei=KLAfTJe9E8GYrAeGIZ3KCw&sa=X&oi=book_result&ct=result&resnum=3&ved=0CDEQ6AEwAg#v=onepage&q&f=false](http://books.google.com.pk/books?id=zVvnckgGZgkC&pg=PA89&dq=)

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

Product life cycle is based on which of the following components?

Place

Demand

Supply

Price

Question No: 10 (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

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

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

A group is compose of a number of items

A group exhibits a uniform behavior

Forecasting errors among items in a group have a canceling effect

A group behavior is relatively less uncertain

Ref:

[http://books.google.com.pk/books?id=tqVIT0xE4NAC&pg=PA69&dq="Forecasting+for+groups+tend+to+be+more+accurate+than+forecasting+for+individual+items+because"&hl=en&ei=SrUfTLrKJ5OyrAe-1Z20Aw&sa=X&oi=book_result&ct=result&resnum=1&ved=0CCoQ6AEwAA#v=onepage&q&f=false](http://books.google.com.pk/books?id=tqVIT0xE4NAC&pg=PA69&dq=)

Question No: 12 (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

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

Who emphasized quality in terms of inspection and gauging?

G.S. Radford

W. Shewhart

F.W. Taylor

W.E. Deming

Ref: Frederick Winslow Taylor the father of scientific management brought back the concept of quality by incorporating product inspection as well as focusing on the importance of manufacturing management.

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

Which of the following word is the meaning of the term Poka Yoke ?

Mistake proof

Low quality

Defective

Expensive

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

Which of the following statement defines process re-design?

It is collecting information, identifying each step and finding inputs and outputs of process

It is collecting information about cost reduction and improving the defects

It relates to asking questions about process flow and identifying missing or

duplicating activities

It relates with taking a fresh approach to solve an issue on hand

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

Which of the following statement defines process analysis?

It is collecting information, identifying each step and finding inputs and outputs of process

It is collecting information about cost reduction and improving the defects

It relates to asking questions about process flow and identifying missing or duplicating activities

It relates with taking a fresh approach to solve an issue on hand

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

The well-known Deming wheel is also referred to as:

Juran s cycle

Crosby s cycle

Ishikawa s cycle

Shewhart s cycle

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

Which of the following refers to the inherent variability in a process?

Control limits

Process capability

Chance causes of variation

Assignable causes of variation

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

Which of the following refers to a variation resulted from an identifiable cause?

Random variation

Regular variation

Irregular variation

Assignable variation

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

Which of the following refers to the average of accepted lots and rejected lots?

Acceptable Quality Level (AQL)

Lot Tolerance Percent Defective (LTPD)

Average Outgoing Quality (AOQ)

Average Outgoing Quality Limit (AOQL)

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

If the costs of inspection are higher than costs of obtaining the sample
_____ sampling should be used.

Random

Single

Double

Multiple

Ref: Where inspection costs are higher than costs of obtaining the sample, multiple samples are carried to ensure that a good or bad result can help terminate the sample testing thus ensuring savings in inspection cost.

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

Identify the set of factors that affect the choice of a strategy for aggregate planning.

Cost and corporate policy

Cost and location analysis

Cost and capacity constraints

Cost and training of employees

Explanation: As a rule of thumb, aggregate planners seek to match supply and demand within in constraints by policies and minimum costs.

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

Which of the following mathematical expressions can be employed to compute backorder cost?

Backorder cost per unit + number of backordered units

Backorder cost per unit - number of backordered units

Backorder cost per unit ÷ number of backordered units

Backorder cost per unit × number of backordered units

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

What would be the total cost of inventory, if a firm holds 600 units of a product A , where the carrying cost is Rs. 3 per unit?

Rs. 200

Rs. 1800

Rs. 597

Rs. 603

Explanation:

Total cost of inventory = per unit carrying cost * Number of units hold

$$= 3*600$$

$$= 1800$$

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

What would be the total backorder cost, if 400 units of a product A are ordered back .where the back order cost is Rs. 4 per unit?

Rs. 100

Rs. 396

Rs. 404

Rs. 1600

Explanation:

Back Order =Back Order Cost Per Unit X Number of Backorder Units

$$= 4 *400$$

= 1600

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

Which of the following is an advantage of perpetual inventory system?

Periodic review of inventory

Economies in shipping orders

Fixed order quantity

Low cost of record keeping

Reference:

http://books.google.com.pk/books?id=T1SLkJ5AH90C&pg=PA10&lpg=PA10&dq=an+advantage+of+perpetual+inventory+system+is+Fixed+order+quantity&source=bl&ots=qet2i9V5Jc&sig=w9jaO7iVIpWmdFahALnYiwIbk4c&hl=en&ei=7Io5TO64GsKwrAfa3_G2CA&sa=X&oi=book_result&ct=result&resnum=5&ved=0CCMQ6AEwBA#v=onepage&q=an%20advantage%20of%20perpetual%20inventory%20system%20is%20Fixed%20order%20quantity&f=false

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

Which of the following refers to the costs incurred to get the equipment ready for the next job?

Accepting cost

Holding cost

Shortage cost

Setup cost

Ref: Setup cost: [Expenses incurred in setting up a machine, work center, or assembly line, to switch from one production job to the next.](#)

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

Which one of the following mathematical expressions can be employed to compute annual carrying cost?

(Q-2)H

(Q+2)H

(Q÷2)H

(Q×2)/H

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

According to ABC classification system for inventory management, which of the following groups of items represents high value inventory items?

Group A

Group B

Group C

Group X

Ref: Group A consists of High Rupee (Monetary) Value, which account for a small portion about 10% of the total inventory usage.

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

All of the following are common types of inventories Except:

Raw material

Work in transit

Work in progress

Scrapped work

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

EPP stands for which of the following?

Economic Part Period

Economic Production Period

Equal Production Period

Equal Part Period

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

ERP stands for which of the following?

Enterprise Resource Planning

Enterprise Requirements Planning

Equal Resource Planning

Equal Requirements Planning

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

JIT stands for which of the following?

Just In Time

Just In Test

Job In Time

Job Inventory Time

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

Which of the following is widely accepted as an effective planning method of all resources of a manufacturing firm?

Enterprise Resource Planning

Material Requirements Planning

Material Requirements Planning I I

Master Production Schedule

Reference : Manufacturing Resource Planning (MRP II) is defined by APICS as a method for the effective planning of all resources of a manufacturing company. Ideally, it addresses operational planning in units, financial planning in dollars, and has a simulation capability to answer "what-if" questions and extension of closed-loop MRP.

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

Which of the following formula is correct for Kanban system?

$DX(1 T) = N$

C

$DC(1 X) = N$

T

$DT(1 + X) = N$

C

$DT(1 C) = N$

X

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

EDI stands for which of the following?

Enterprise Data Interchange

Economic Data Interchange

Equal Data Interchange

Electronic Data Interchange

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

Which of the following is a system for inventory management and distribution planning?

Electronic Data Interchange (EDI)

Enterprise Resource Planning (ERP)

Distribution Resource Planning (DRP)

Materials Resource Planning (MRP)

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

Which of the following refers to an area where a person works with special equipment on a specialized job?

Workshop

Work area

Workplace


Workstation

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

Which of the following is TRUE about a project activity?

It is a unique, one-time activity

It is static in nature



It is often simple to outline

It is a set of unrelated tasks

Reference: This property of being a temporary and a one-time venture contrast with operations, which are permanent or semi-permanent ongoing functional work to create the same product or service over-and-over again.

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

Successful project management includes all of the following factors EXCEPT:

Interchangeable staff

Competent team members

Responsiveness to clients

Control mechanisms

Question No: 41 (Marks: 1) - Please choose one

Network activities are used to determine all of the following EXCEPT:

Expected project duration

Slack time

Critical path

Budgeted cost

Question No: 42 (Marks: 1) - Please choose one

Which of the following is a descriptive technique that is used by a decision maker to evaluate the behavior of a model under various conditions?

Linear programming

Simulation


Critical path method

Program evaluation and review technique

Question No: 43 (Marks: 3)

Explain the importance of employee empowerment in TQM.

Question No: 44 (Marks: 3)



What would be the annual ordering cost, if annual demand is 300 units where the order size is 250 units and ordering cost is Rs. 10 per order?

Note: Provide answer with complete working. Failure to show working will result deduction of marks.

Question No: 45 (Marks: 3)

Gantt charts are of various types. Give a brief description about at least two types of Gantt charts.

Question No: 46 (Marks: 5)

"Six sigma is related to quality improvement" Elaborate this statement.

Question No: 47 (Marks: 5)

MRP (Materials Requirement Planning) processing is made up of various components. Explain some of them.

Question No: 48 (Marks: 10)

Implementation of six sigma aims at reducing defects. What could be the various obstacles in implementing Six Sigma?

Question No: 49 (Marks: 10)

Double sampling plan is better than the single sampling plan. Elaborate some of the features of double sampling plan and how it takes care of the limitation of single sampling plan.



FINAL TERM EXAMINATION

Fall 2008 MGT603- Strategic Management (Session - 1)

Marks: 81

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

Strategic management integrates all of the following areas EXCEPT:

- ▶ Management
- ▶ Marketing
- ▶ Research and development
- ▶ **Human resource management PAGE 2**

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

Strategist is an individual who is involved in the strategic management process, thus may be known as:

- ▶ Member board of director
- ▶ **President PAGE 6**
- ▶ Division manager
- ▶ All of the given options

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

"A desired future state that the organization attempts to realize". Identify the term relevant to the given statement.

- ▶ Policy
- ▶ Procedure
- ▶ Goal
- ▶ **Strategy**

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

Which of the following business actions is NOT considered to be unethical?

- ▶ Poor product or service safety
- ▶ Using non-union labor in a union shop
- ▶ Misleading advertising
- ▶ **Too expensive products PAGE 15**

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

Which type of trend can be exemplified by the increase in average level of education in a society?

- ▶ **Cultural**
- ▶ Technological
- ▶ Economic
- ▶ Social

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

Allocation and reallocation of capital and resources to projects, products, assets, and divisions of an organization is known as:

- ▶ **Investment decisions**
- ▶ Financing decisions

- ▶ Restructuring decisions
- ▶ Strategic decision

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

All of the following fall under the category of "Process" function of production management EXCEPT:

- ▶ Choice of technology
- ▶ **Quality assurance**
- ▶ Process flow analysis
- ▶ Transportation analysis

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

A planned activity aimed at discovery of new knowledge with the hope of developing new or improved products and services and translation of its findings into a plan or design of new or improved products and services is known as:

- ▶ Marketing
- ▶ **Research and development**
- ▶ Production
- ▶ Management information system

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

_____ become/s information only when it/they is/are evaluated, filtered, condensed, analyzed and organized for a specific purpose, problem, individual, or time.

- ▶ Material
- ▶ **Data**
- ▶ Competitive advantages
- ▶ Competitor analysis

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

The Web sites that sell products directly to the consumers are the examples of which type of strategy?

- ▶ Backward integration
- ▶ Product development
- ▶ **Forward integration**
- ▶ Horizontal integration

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

The extent to which a business concentrates on a narrowly defined market is best referred to as:

- ▶ **Niche strategy**
- ▶ Cost leadership strategy
- ▶ Differentiation strategy
- ▶ Segmentation

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

Under which of the following conditions, Concentric Diversification would be particularly an effective strategy to pursue?

- ▶ When an organization has grown so large so quickly that major internal reorganization is needed
- ▶ **When sales of current products would increase intensively by adding the new related products** PAGE 91
- ▶ When revenues from current products/services would increase significantly by adding the new unrelated products
- ▶ When current products are in maturity stage of the product life cycle

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

Which of the following stages in the strategy-formulation framework focuses on summarizing the basic information needed to formulate strategies?

- ▶ Output
- ▶ **Input PAGE 97 STAGE 1**
- ▶ Decision
- ▶ Matching

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

Which of the following stages of "Strategy Formulation Framework" involves development of Internal-Factor Evaluation Matrix?

- ▶ Input stage
- ▶ Output stage
- ▶ **Matching stage PAGE 97**
- ▶ Decision stage

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

Which of the following stages of strategy formulation framework involves development of Internal External Matrix?

- ▶ Input stage
- ▶ Output stage
- ▶ **Matching stage PAGE 105**
- ▶ Decision stage

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

In order to avoid the emergence of substitute products, AF & Z Corporation has an access and control over the scarce natural resources necessary for the production of their products, Which of the following strategies AF & Z is using?

▶ SO

▶ **WO**

▶ SW

▶ ST

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

What type of strategies would you recommend when a firm's SPACE Matrix directional vector has the coordinates (-2, +3)?

- ▶ Aggressive
- ▶ Conservative
- ▶ Competitive

▶ **Defensive PAGE 100**

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

Which of the following is NOT a step for the preparation of a SPACE matrix?

- ▶ Select a set of variables to relating to financial strength, competitive advantage, environmental stability, and industry strength
- ▶ Assign a numerical value ranging from +1 (worst) to +6 (best) to each of the variables that make up the financial strength and industry strength dimensions

▶ **Assign weights to the variables according to their relative importance for the fir PAGE 102**

- ▶ Compute an average score and dividing by the number of variables

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

"The business has a strong competitive position but is in a slow-growth industry. Further, the business typically has high cash flow levels and limited internal growth needs." The statement refers which of the following?

- ▶ The firm falling in Quadrant I of Grand Strategy Matrix
- ▶ The firm falling in Quadrant II of Grand Strategy Matrix

- ▶ The firm falling in Quadrant III of Grand Strategy Matrix

- ▶ **The firm falling in Quadrant IV of Grand Strategy Matrix** PAGE 108

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

What is the product of weights and attractiveness scores for each strategy in QSPM?

- ▶ Sum total attractiveness scores
- ▶ Total attractiveness scores
- ▶ Weighted scores
- ▶ **Total weighted scores**

REF:

Total weighted scores = total weighted score for the organization.

Highest possible weighted score for the organization is 4.0; the lowest, 1.0. Average = 2.5

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

Which of the following is a Functional Q objective?

- ▶ Achieving return on investment of at least 15%
- ▶ **Aiming to achieve a market share of 10%** PAGE 113
- ▶ Attaining operating profit of over Rs.10 million
- ▶ Increase earnings per share by at least 10% every

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

Which of the following is a Corporate level objective?

- ▶ Getting 75% customer awareness of company's brand in target markets

▶ **Increasing earnings per share by at least 10% PAGE 113**

- ▶ Building customer database of at least 250,000 companies
- ▶ Achieving a 10% share of International market

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

The manager of MZ firm has defined the goal that "the firm wants to increase its production by at least 200 units in size." Thus, which part of the SMART criteria has been focused by the firm through this goal statement?

- ▶ Specific
- ▶ Measurable
- ▶ Achievable
- ▶ Relevant

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

Mr. Ali, the operations manager of ABC Company did not agree with the proposal of marketing manager - Mr. Zeeshan at the meeting regarding launch of a new product. There was an exchange of hot word among them. The matter was referred to CEO, so that the conflict could be resolved, but the CEO did not take any action in the hope that the conflict will resolve itself. The statement describes which of the conflict resolution mood?

- ▶ Avoidance
- ▶ Compliance
- ▶ Diffusion
- ▶ Confrontation

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

Ahmad fisheries is going to arrange a meeting with AH& T distributors so that the matters regarding wrong delivery by AH & T and conflict arising from it can be settled. Which of the following conflict resolving approach is followed in the situation?

- ▶ **Avoidance**
- ▶ Confrontation
- ▶ Resistance
- ▶ Diffusion

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

Why do changes in company strategy often require changes in the way an organization is structured?

- ▶ Because structure depicts how goals will be established
- ▶ Because structure dictates how authorities will be delegated
- ▶ **Because structure dictates how resources will be obtained**
- ▶ Because structure dictates how financial resources are spent

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

Which one of the following is the organizational structure that most of the medium-size organizations follow?

- ▶ **Divisional structure PAGE 117**
- ▶ Strategic business unit
- ▶ Functional structure
- ▶ Matrix structure

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

Of the following, which one is least likely to be considered an advantage presented by matrix organizational structure?

- ▶ It facilitates the use of highly specialized staff and equipment
- ▶ It minimizes the project cost because the key people can be shared
- ▶ **It can raise dual reporting and communication problems PAGE 120**

- ▶ It provides excellent training ground for strategic managers

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

Zairian Corporation has streamlined its operations by cutting costs, such as decrease in payroll or reduction in its size through the sale of assets. In which of the following activity Zaria Corporation is involved?

- ▶ E-Engineering
- ▶ Re-engineering
- ▶ **Restructuring**
- ▶ Benchmarking

REF: Restructuring INCLUDE reducing the size of the firm in terms of number of employees

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

Which of these is not one of the tests used to determine whether a performance-pay plan will benefit an organization?

- ▶ Do employees understand the plan?
- ▶ **Is the plan improving communications?**
- ▶ Does the plan pay out when it should?
- ▶ Does the plan reduce management layers?

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

All of the following are the managerial issues for managing natural environment EXCEPT:

- ▶ Global warming- depletion of rain forests
- ▶ **Employee understanding about environment PAGE124**
- ▶ Developing biodegradable products and packages
- ▶ Waste management to clean air and water

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

Production processes typically constitute of what percentage of firm's total assets?

- ▶ **More than 70 % ;PAGE 126**
- ▶ More than 65 %
- ▶ More than 60 %
- ▶ More than 55 %

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

Which one of the following is TRUE about two different market segments?

- ▶ They can be served with the same marketing strategy
- ▶ They usually require different marketing strategies
- ▶ They are always in different geographic locations
- ▶ **There is heterogeneity within the segment in its needs**

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

XYZ Company has segmented its market by keeping in view occupation and education level of customers. Which of the following bases of segmentation the company has used?

- ▶ **Demographic PAGE 130**
- ▶ Psychographic
- ▶ Behavioral
- ▶ Geographic

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

Which variable would be considered as a part of pricing decisions?

- ▶ Warranty
- ▶ **Bundling PAGE 133**
- ▶ Safety

- ▶ Functionality

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

Which of the following statement is TRUE about 'firm infrastructure' as a support activity of Michael Porter's value chain model?

- ▶ It includes procurement of raw materials, servicing, spare parts, buildings, machines
- ▶ It Includes technology development to support the value chain activities like Process automation
- ▶ It includes the activities associated with recruiting and development of employees and managers
- ▶ **It includes general management, planning management, legal, finance, accounting, public affairs PAGE 147**

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

Which of the following statement is correct about human resource management?

- ▶ It includes procurement of raw materials, servicing, spare parts, buildings, machines
- ▶ It Includes technology development to support the value chain activities like Process automation
- ▶ **It includes the activities associated with recruiting and development of employees and managers PAGE 58**
- ▶ It includes general management, planning management, legal, finance, accounting, public affairs

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

All of the following are the cost drivers of Porter's supply chain activities EXCEPT:

- ▶ Capacity utilization
- ▶ Timing of market entry
- ▶ Economies of scale

▶ **Firm's infrastructure PAGE 147**

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

Which one of the following is NOT considered as a difficulty in evaluation of strategies?

- ▶ Increase in environment's complexity
- ▶ Difficulty predicting future with accuracy

▶ **Decreasing number of variables PAGE 149**

- ▶ Rate of obsolescence of plans

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

Which of the following statement is TRUE about 'Controls' which are used in strategy evaluation stage?

- ▶ They are strategy-oriented
- ▶ **They are action-oriented PAGE 154**
- ▶ They are control-oriented
- ▶ They are information-oriented

Question No: 41 (Marks: 1) - Please choose one

A good evaluation system must possess various qualities. Which of not a characteristic of a good strategy evaluation system?

- ▶ Strategy-evaluation activities must be economical
- ▶ Strategy-evaluation activities should be meaningful
- ▶ **Strategy-evaluation activities should dominate the decisions PAGE 154**
- ▶ Strategy-evaluation activities should provide timely information

Question No: 42 (Marks: 1) - Please choose one

The people who perform audit can be categorized as all of the following EXCEPT:

- ▶ Independent auditors
- ▶ **Financial auditors** PAGE 155
- ▶ Government auditors
- ▶ Internal auditors

Question No: 43 (Marks: 3)

If you construct a SPACE Matrix and the directional vector points to the lower left quadrant, what type of strategies would you recommend?

Question No: 44 (Marks: 3)

Define Functional level objectives. Provide at least two statements exemplifying such objectives.

Question No: 45 (Marks: 3)

Auditors who perform audit can be divided into three groups? Identify and define each of them.

Question No: 46 (Marks: 5)

Identify the five steps that must be followed while developing an IE Matrix.

Question No: 47 (Marks: 5)

Positioning is actually the way that a product is introduced to its market audience. What are the five steps required for effective product positioning?

Question No: 48 (Marks: 10)

You are the business executive of Omar textiles Mills. You are asked to evaluate the strengths, weaknesses, opportunities and threats of the firm and develop altogether different strategies by using different combinations of any two of these.

Question No: 49 (Marks: 10)

Quantitative Strategic Planning Matrix (QSPM) is a high-level strategic management approach for evaluating possible strategies. You are required to prepare a (QSPM) of XYZ Manufacturing Company for evaluating any two strategies?

FINALTERM EXAMINATION

Fall 2009

MGT613- Production / Operations Management (Session - 4)

Time: 120 min

Marks: 79

Question No: 1 (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 resist human factor, personal opinions.**
- ▶ It consists mainly of analyzing objective and hard data and resist human factor, opinion.

Question No: 2 (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

Question No: 3 (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 MINIMAX regret approach?

- ▶ Rs. 12,000
- ▶ Rs. 6,000

- ▶ **Rs. 5,000**
- ▶ Rs. 16,000

Question No: 4 (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: 5 (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: 6 (Marks: 1) - Please choose one

Which one of the following designs resists modifications?

- ▶ **Frozen design**
- ▶ Product design
- ▶ Service design
- ▶ Robust design

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

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

- ▶ Growth
- ▶ **Decline**
- ▶ Maturity
- ▶ Planning

Question No: 8 (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: 9 (Marks: 1) - Please choose one

How many dimensions are used for determining service quality?

- ▶ Four
- ▶ Five
- ▶ Six
- ▶ **Seven**

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

Which of the following is NOT an element of TQM?

- ▶ Continuous improvement
- ▶ Perceived quality
- ▶ Employee empowerment
- ▶ **Customer focus**

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

Which of the following represents a specified range of values in which individual units of output must fall in order to be acceptable?

- ▶ Tolerance
- ▶ Run test
- ▶ Process capability
- ▶ **Process variability**

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

Which of the following refers to the upper limit on the percentage of defects that a customer is willing to accept?

- ▶ Acceptable Quality Level (AQL)
- ▶ **Lot Tolerance Percent Defective (LTPD)**
- ▶ Average Outgoing Quality (AOQ)
- ▶ Average Outgoing Quality Limit (AOQL)

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

Which of the following require intermediate plans?

- ▶ Job assignments
- ▶ Machine loading
- ▶ **Subcontracting**
- ▶ Layout design

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

Which of the following is the costs of carrying an item in inventory for a specific period of time?

- ▶ Ordering cost
- ▶ **Holding cost**
- ▶ Shortage cost

- ▶ Stock out cost

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

Which of the following is a schedule that specifies the timing and size of production quantities for product in the product families?

- ▶ **Master production scheduling**
- ▶ Aggregate plan
- ▶ Inventory management scheduling
- ▶ Master rescheduling

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

Which of the following contains a listing of all the assemblies, sub-assemblies, parts and raw materials needed to produce one unit of a finished product?

- ▶ Master schedule
- ▶ **Bill of materials file**
- ▶ Inventory records file
- ▶ Rough – cut capacity plan

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

Which of the following statements is CORRECT about master schedule?

- ▶ It is visible to all levels of management
- ▶ **It include only demand from production areas**
- ▶ It is not influenced by the aggregate plan
- ▶ It is not concerned with customer order processing

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

Which of the following refers to the planned amount to order in each time period?

- ▶ Gross requirements
- ▶ Net requirements
- ▶ **Planned-order receipts**
- ▶ Planned-order releases

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

Which of the following reports compares known and expected future capacity requirements with projected capacity availability?

- ▶ **Performance control report**
- ▶ Exception report
- ▶ Load report
- ▶ Planned order report

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

Big JIT includes all of the following EXCEPT:

- ▶ Vendor relations
- ▶ **Scheduling materials**
- ▶ Technology management
- ▶ Human relations

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

Which should be one of the selection criteria if two potential suppliers can deliver a part with the same quality and prices?

- ▶ Size of the firm
- ▶ A coin flip
- ▶ **External evaluation**
- ▶ Flexibility of the firm

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

Scheduling is a function of which of the following?

- ▶ **Volume of systems' output**
- ▶ Nature of systems' output
- ▶ Timing of systems' output
- ▶ Value of systems' output

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

Which of the following refers to an area where a person works with special equipment on a specialized job?

- ▶ **Workshop**
- ▶ Work area
- ▶ Workplace
- ▶ Workstation

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

Which of the following refers to the total time needed to complete a group of jobs from the beginning of the first job to the completion of the last job?

- ▶ Job lateness
- ▶ **Job flow time**
- ▶ Makespan
- ▶ Slack time

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

Which of the following is TRUE about a project activity?

- ▶ **It is a unique, one-time activity**
- ▶

It is static in nature

- ▶ It is often simple to outline
- ▶ It is a set of unrelated tasks

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

Which of the following relates to an organizational structure based on teams formed specifically for projects?

- ▶ **Project matrix structure**
- ▶ Project structure
- ▶ Functional structure

- ▶ Balanced matrix structure

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

Which of the following is NOT a limitation of PERT?

- ▶ **Omission of critical activities**
- ▶ Correct precedence relationships
- ▶ Sole reliance on critical path
- ▶ Inclusion of a fudge factor

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

With reference to Network activities, what does the term 'LS' stand for?

- ▶ **Late Start**
- ▶ Long Start
- ▶ Lazy Start
- ▶ Low Start

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

With reference to Network activities, what does the term 'LF' stand for?

- ▶ **Late Finish**
- ▶ Long Finish
- ▶ Lazy Finish
- ▶ Low Finish

Question No: 30 (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**

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

Which one of the following is a possible disadvantage of a moving average forecast?

- ▶ The method is unable to forecast the demand accurately
- ▶ **The method is easy to compute and easy to understand**
- ▶ All the values in the average are weighted equally
- ▶ The most recent values are given the more weightage

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

Which of the following determinants of effective capacity is taken into account by operations manager at macro level?

- ▶ **Supply chain**
- ▶ Process factors

- ▶ Product and service factors
- ▶ Operational factors

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

Which of the following is true about the design process?

- ▶ Concurrent design has proven to be the more effective method for design
- ▶ The design process involves four basic steps, if followed in sequential order, ensure success
- ▶ Only representatives from design department should work together on the design
- ▶ **It is better to separate marketing, engineering, and production personnel from each other in a design process**

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

Which of the following initiated "Just-In-Time" inventory management system?

- ▶ Germany
- ▶ **United States**
- ▶ United Kingdom
- ▶ Japan

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

In the environment where material flow is complex and demand is highly variable, which of the following system will NOT be feasible?

- ▶ Material Requirement Planning (MRP)
- ▶ Just-In-Time Production Systems
- ▶ **Manufacturing requirement planning (MRPII)**
- ▶ Enterprise Resource planning (ERP)

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

Which of the following elements of supply chain prevent organization from bull-whip effect?

- ▶ Predicting quantity and timing of demand
- ▶ Incorporating customer's wants in manufacturing
- ▶ **Controlling quality and scheduling work**
- ▶ Determining what customers want

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

Difference between length of a path and critical path gives which of the following values?

- ▶ **Critical activities**
- ▶ Slack activities
- ▶ Activity on node
- ▶ Activity on arrow

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

During the period of high unemployment or when low-skilled labor is acceptable, which of the following strategy would be cost effective?

- ▶ Chase demand strategy
- ▶ **Level capacity strategy**
- ▶ Proactive strategy
- ▶ Mixed or hybrid strategies

Question No: 39 (Marks: 3)

What are the salient features of six sigma quality management?

ANS: following are the 4 salient features of sigma quality management

1. Selecting and training appropriate people.
2. Providing strong leadership.
3. Selecting projects likely to succeed.
4. Defining performance merits.

Question No: 40 (Marks: 3)

How would you illustrate the problems that you may encounter in scheduling the service operations?

ANS: there are many problem of scheduling like flight schedules, reservation system, and control costumer services, scheduling the workforce etc.

Question No: 41 (Marks: 5)

What would happen if customer's expected quality and perceived quality do not match? Explain by giving an example.

Differences between Expected and Perceived Quality

ANS: Customers expect certain things from certain companies so that is called costumer expected quality. Everyone has perception of service quality
The perceived quality is the quality after the perceptions of costumer.

Question No: 42 (Marks: 5)

What is the importance of Material Requirement Planning (MRP)? Why companies should invest in the implementation of MRP system? (3+2)

A material requirement planning is a computer based information system that translates master schedule requirements for end items into time-phased requirements for raw materials, components, subassemblies.

Company should invest to improve the implementation of MRP SYSTEM because it is very important tool for the future planning of material needs. By MRP systems a company can improve its costumer services and reduce its cost. Also companies can control inventories, improved scheduling, and Productive relationships with suppliers.

Question No: 43 (Marks: 5)

Differentiate Big vs Little Just-In-Time System. Which one of the both answers the most pressing questions that an organization faces? 4+1

1. Big JIT: it has broad focus in, vendor relations, materials and inventory management, technology management, human relations

2. Little JIT: it has narrow focus Internal to organization, Scheduling materials, and Scheduling services of production.

By JIT systems organization can achieve a balanced smooth flow of production, it will flexible their system with reduction in wastes and lead time.

Question No: 44 (Marks: 10)

How would you compare a TV set (a product) and TV repair (a service) in terms of at least five dimensions of quality?

I will compare it with the following dimensions of quality.

1. Performance: as we know the performance of new TV set if very good with high quality but when it is repaired its performance and quality is reduced because of repairing services.

2. Aesthetics: it is the appearance of TV set. As new TV set is looking very nice from every angle but when it is repaired its looking is affected by poor services.

3. Special Features: a TV set has many extra features in it. But when it is repaired most of its features will be disabled due to repairing process. For example some times its sound will be change some times its colors or buttons not working.

4. Conformance - how well product/service conforms to customer's expectations

5. Reliability - consistency of performance

6. Durability - useful life of the product/service

7. Perceived Quality: is the quality which will be accepted after repairing services of TV. While a new TV has its expected quality.

8. Serviceability: this is the service after sale. When you buy a new TV set, you will get a warranty for that TV. And also some changeable service. But when it is repaired for one time then its warrant as well as guarantee will be finished and there is no service ability for that repaired TV.

Question No: 45 (Marks: 10)

Long waiting lines and long waiting times force customers to balk or renege. What mathematical and non-mathematical ways and techniques management should take in order to avoid such kind of problems?

ANS: Some times there are long lines of people in offices for example for interviews, customer's centers, banks etc. it is due to the poor management system and poor. But there are some mathematical as well as non mathematical methods due to those methods we can control these long waiting lines problems.

Queuing theory:

This is a Mathematical method use for the analysis of waiting lines.

Its main goal is to minimize the sum of two costs Customer waiting costs and Service capacity costs.

Its main points about waiting lines are as following.

Waiting lines are non-value added occurrences implications of waiting lines.

To provide space for waiting it will cost.

There is a threat of Loss of business due to long waiting lines.

Because of these problems most of costumer will leave.

Customers always refuse to wait.

Overcrowding can disrupt other business operations.

Long waiting lines reduces in customer satisfaction.

By queuing analysis organizations minimizes these types of threats and can manage their business in a very pleasant way.

Some of Non Mathematical Approaches are the following which are also used to reduce long waiting lines problems.

1. There should be Magazines or newspapers in waiting rooms for people who are waiting because of this they will not become bore.
2. Also if there is Radio or a television set so the waiting costumers be wait easily.
3. In-flight movies.
4. By Filling out forms we can reduce waiting times of people.
5. Derive benefits from waiting
6. By Placing impulse items near checkout so people will see and analyze it for some time.
7. Reduce perceived waiting time
8. If there is advertisement of other goods or services in waiting place, people will study that so they can wait easily.

FINAL TERM EXAMINATION

Fall 2008

MGT613- Production / Operations Management (Session - 1)

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

All of the following are examples of transformation process EXCEPT:

Facilitating

Labeling

Cutting

Packing

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

The Strategies that are more focus on maintaining or improving the quality of an organization s products or services is known as:

Quality at the source

Time Based strategies

Cost leadership strategies

Quality-based strategies

Question No: 4 (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

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

Which one of the following is a disadvantage of a process layout?

A variety of processing requirements

Use of individual incentive system

Minimizing material handling costs

Equipment utilization rate is high

Question No: 6 (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

$CT = \text{cycle time} = OT/D$

Question No: 7 (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

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

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

Question No: 9 (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: 10 (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: 11 (Marks: 1) - Please choose one

Product life cycle is based on which of the following components?

Place
Demand
Supply
Price

Question No: 12 (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

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

Which of the following refers to service recovery?

Satisfying the customers needs at the first instance
Providing the customer with extra benefits along with the desired service
Satisfying a previously dissatisfied customer and making him loyal
Providing the desired service to the customer

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

Identify the dimensions of quality that a performance measure matrix (RATE) includes for a service firm.

(a) Reliability (b) Responsiveness (c) Awareness (d) Assurance
(e) Tangibility (f) Empathy (g) Ease
a, b, c, e, f
a, b, d, e, f
a, b, d, e, g
a, b, c, e, g

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

The employees responsible to assure quality of service delivery are known as:

Contact personnel

Finance personnel
Operational personnel
Research personnel

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

Which of the following is the origin of the word Poka Yoke ?

America
China
Spain
Japan

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

Which of the following terms reflects Japanese view of continuous improvement?

Kaizen
Poka-yoke
Six sigma
Inspection

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

Problem solving is an example of which of the following?

Internal failure cost (Not sure)
External failure cost
Prevention cost
Appraisal cost

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

Which of the following cost is associated with the quality of the product?

Stockholding cost
Distribution cost
Marketing cost
Failure cost

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

Which of the following statement defines process mapping?

It is collecting information, identifying each step and finding inputs and outputs of process

It is collecting information about cost reduction and improving the defects
It relates to asking questions about process flow and identifying missing or duplicating activities
It relates with taking a fresh approach to solve an issue on hand

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

Which of the following refers to the percentage level of defects at which consumers are willing to accept lots as good ?

Acceptable Quality Level (AQL)

Lot Tolerance Percent Defective (LTPD)

Average Outgoing Quality (AOQ)

Average Outgoing Quality Limit (AOQL)

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

In _____ sampling, one random sample is drawn from each batch.

Single

Double

Multiple

None of the given options

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

If the costs of inspection are higher than costs of obtaining the sample _____ sampling should be used.

Random

Single

Double

Multiple

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

Identify the time span covered by the aggregate planning.

3-7 months

2-10 months

2-12 months

4-8 months

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

Which of the following refers to the costs incurred to get the equipment ready for the next job?

Accepting cost

Holding cost

Shortage cost

Setup cost

Setup cost:

Expenses incurred in setting up a machine, work center, or assembly, to switch from one production job to the next.

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

Which of the following refers to the cost born by a firm if demand exceeds the supply?

Ordering cost
Holding cost
Stock out cost
Shortage cost

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

Which one of the following concepts refers to achieve the lowest average total cost per unit when a large quantity is ordered?

Economies of scale

Material requirements planning
Master production schedule
Economic order quantity

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

According to ABC classification system for inventory management, which of the following groups of items represents low value inventory items?

Group A
Group B
Group C
Group D

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

All of the following are common types of inventories Except:

Raw material
Work in transit
Work in progress
Scrapped work

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

Which of the following is known as a visual representation of the requirements in a bill of materials having all the components listed in levels?

Master production schedule
Material requirements planning
Product structure tree
Inventory status record

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

Which of the following refers to the actual amount of an item needed in each time period?

Gross requirements

Net requirements

Planned-order receipts
Planned-order releases

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

Which of the following refers to the planned amount to order in each time period?

Gross requirements
Net requirements
Planned-order receipts

Planned-order releases

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

MRP secondary reports include all of the following EXCEPT:

Performance control reports
Planning reports
Exception reports

Planned order reports

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

ERP stands for which of the following?

Enterprise Resource Planning

Enterprise Requirements Planning
Equal Resource Planning
Equal Requirements Planning

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

Which kind of production system is undertaken by JIT (Just In Time) production?

Intermittent processing
Job shop processing
Repetitive processing

Batch processing

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

Which of the following factors does NOT impact the supply chain?

Increased competition
Reduced number of suppliers

Technology improvement
Aging of the population

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

Scheduling is a function of which of the following?

Volume of systems output
Nature of systems output
Timing of systems output
Value of systems output

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

Which of the following refers to time needed for setup and processing of a job?

Standard time
Job time
Setup time
Slack time

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

Which of the following relates to monitoring the objectives of cost, time and quality as the project progresses?

Project estimating
Project planning
Project control
Project crashing

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

Which of the following relates to an organizational structure based on teams formed specifically for projects?

Project matrix structure
Project structure
Functional structure
Balanced matrix structure

Question No: 41 (Marks: 1) - Please choose one

Which of the following is NOT a limitation of PERT?

Omission of critical activities
Correct precedence relationships
Sole reliance on critical path
Inclusion of a fudge factor

Question No: 42 (Marks: 1) - Please choose one

Which of the following refers to business scope creep?

Customer retention
Customer pleasing
Customer expectation

Customer needs

FINAL TERM EXAMINATION

Fall 2008

MGT613- Production / Operations Management (Session - 1)

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

An organization has describe its distinctive characteristic now what is the next step in strategy formulation process?

Competitor s distinctiveness

Selecting the market segment

Environmental scanning

Productivity Measures

Question No: 3 (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: 4 (Marks: 1) - Please choose one

Which one of the following factors provides a basis for comparing alternative forecasting techniques?

Time dimension

Reliability factor

Degree of accuracy

Measuring units

Question No: 5 (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 MINIMAX regret approach?

Rs. 12,000

Rs. 6,000

Rs. 5,000

Rs. 16,000

Question No: 6 (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: 7 (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

Question No: 8 (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.netmba.com/operations/process/structure/>

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

Product life cycle is based on which of the following components?

Place

Demand

Supply

Price

Question No: 10 (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

REFERENCE

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

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

A group is compose of a number of items

A group exhibits a uniform behavior

Forecasting errors among items in a group have a canceling effect

A group behavior is relatively less uncertain

Question No: 12 (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

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

Who emphasized quality in terms of inspection and gauging?

G.S. Radford

W. Shewhart

F.W. Taylor

W.E. Deming

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

Which of the following word is the meaning of the term Poka Yoke ?

Mistake proof

Low quality

Defective
Expensive

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

Which of the following statement defines process re-design?

It is collecting information, identifying each step and finding inputs and outputs of process

It is collecting information about cost reduction and improving the defects

It relates to asking questions about process flow and identifying missing or duplicating activities

It relates with taking a fresh approach to solve an issue on hand

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

Which of the following statement defines process analysis?

It is collecting information, identifying each step and finding inputs and outputs of process

It is collecting information about cost reduction and improving the defects

It relates to asking questions about process flow and identifying missing or duplicating activities

It relates with taking a fresh approach to solve an issue on hand

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

The well-known Deming wheel is also referred to as:

Juran s cycle

Crosby s cycle

Ishikawa s cycle

Shewhart s cycle

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

Which of the following refers to the inherent variability in a process?

Control limits

Process capability

Chance causes of variation

Assignable causes of variation

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

Which of the following refers to a variation resulted from an identifiable cause?

Random variation

Regular variation

Irregular variation

Assignable variation

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

Which of the following refers to the average of accepted lots and rejected lots?

Acceptable Quality Level (AQL)

Lot Tolerance Percent Defective (LTPD)

Average Outgoing Quality (AOQ)

Average Outgoing Quality Limit (AOQL)

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

If the costs of inspection are higher than costs of obtaining the sample _____ sampling should be used.

Random

Single

Double

Multiple

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

Identify the set of factors that affect the choice of a strategy for aggregate planning.

Cost and corporate policy

Cost and location analysis

Cost and capacity constraints

Cost and training of employees

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

Which of the following mathematical expressions can be employed to compute backorder cost?

Backorder cost per unit + number of backordered units

Backorder cost per unit - number of backordered units

Backorder cost per unit \div number of backordered units

Backorder cost per unit \times number of backordered units

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

What would be the total cost of inventory, if a firm holds 600 units of a product A , where the carrying cost is Rs. 3 per unit?

Rs. 200

Rs. 1800

Rs. 597

Rs. 603

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

What would be the total backorder cost, if 400 units of a product A are ordered back where the back order cost is Rs. 4 per unit?

- Rs. 100
- Rs. 396
- Rs. 404
- Rs. 1600**

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

Which of the following is an advantage of perpetual inventory system?

- Periodic review of inventory
- Economies in shipping orders**
- Fixed order quantity
- Low cost of record keeping

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

Which of the following refers to the costs incurred to get the equipment ready for the next job?

- Accepting cost
- Holding cost
- Shortage cost
- Setup cost**

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

Which one of the following mathematical expressions can be employed to compute annual carrying cost?

- $(Q-2)H$
- $(Q+2)H$
- $(Q \div 2)H$**
- $(Q \times 2)/H$

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

According to ABC classification system for inventory management, which of the following groups of items represents high value inventory items?

- Group A**
- Group B
- Group C
- Group X

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

All of the following are common types of inventories Except:

- Raw material
- Work in transit

Work in progress

Scrapped work

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

EPP stands for which of the following?

Economic Part Period

Economic Production Period

Equal Production Period

Equal Part Period

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

ERP stands for which of the following?

Enterprise Resource Planning

Enterprise Requirements Planning

Equal Resource Planning

Equal Requirements Planning

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

JIT stands for which of the following?

Just In Time

Just In Test

Job In Time

Job Inventory Time

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

Which of the following is widely accepted as an effective planning method of all resources of a manufacturing firm?

Enterprise Resource Planning

Material Requirements Planning

Material Requirements Planning I I **Manufacturing Resource Planning (MRP II)**

Master Production Schedule

Manufacturing Resource Planning (MRP II) is defined and accepted by professionals as a method for the effective planning of all resources of a manufacturing company.

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

Which of the following formula is correct for Kanban system?

$$N=DX (1+ T)/C$$

$$N=DC(1 +X)/T$$

$$N=DT(1 +X)/C$$

$$N=DT(1 +C)/X$$

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

EDI stands for which of the following?

Enterprise Data Interchange

Economic Data Interchange

Equal Data Interchange

Electronic Data Interchange

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

Which of the following is a system for inventory management and distribution planning?

Electronic Data Interchange (EDI)

Enterprise Resource Planning (ERP)

Distribution Resource Planning (DRP)

Materials Resource Planning (MRP)

Distribution requirements planning (DRP) is a system for inventory management and distribution planning. Extends the concepts of MRPII.

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

Which of the following refers to an area where a person works with special equipment on a specialized job?

Workshop

Work area

Workplace

Workstation

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

Which of the following is TRUE about a project activity?

It is a unique, one-time activity

It is static in nature

It is often simple to outline

It is a set of unrelated tasks

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

Successful project management includes all of the following factors EXCEPT:

Interchangeable staff


Competent team members

Responsiveness to clients

Control mechanisms

Question No: 41 (Marks: 1) - Please choose one

Network activities are used to determine all of the following EXCEPT:



Expected project duration
Slack time
Critical path
Budgeted cost

Question No: 42 (Marks: 1) - Please choose one

Which of the following is a descriptive technique that is used by a decision maker to evaluate the behavior of a model under various conditions?

Linear programming

Simulation

Critical path method

Program evaluation and review technique

FINAL TERM EXAMINATION

Fall 2008

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

Reference from wikipedia:

Strategic or institutional management is the conduct of drafting, implementing and evaluating cross-functional decisions that will enable an organization to achieve its long-term objectives

By umeed-e subh

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

Which one of the following forms of productivity is expressed as dollar value of output per kilowatt hour?

Capital

Energy

Labor

Machine

Question No: 3 (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

Question No: 4 (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

Question No: 5 (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

REFERENCE

By umeed-e subh

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

Which one of the following is a possible disadvantage of a moving average forecast?

The method is unable to forecast the demand accurately

The method is easy to compute and easy to understand

All the values in the average are weighted equally

The most recent values are given the more weighted

Question No: 7 (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

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

Which one of the following is the correct order of layout types from low volume/high variety to high volume/low variety?

Fixed position, process, cell, product

Fixed position, cell, process, product

Fixed position, process, product, cell

Process, fixed position, cell, product

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

Which one of the following designs resists modifications?

Frozen design

Product design

Service design
Robust design

Question No: 10 (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

Question No: 11 (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

Question No: 12 (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: 13 (Marks: 1) - Please choose one

Who emphasized quality in terms of inspection and gauging?

G.S. Radford

W. Shewhart

F.W. Taylor

W.E. Deming

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

If you go to dine out at McDonalds and you observe a very cool and pleasant atmosphere over there. It depicts which of the following dimensions of quality?

Performance

Aesthetics

Reliability

Conformance

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

Which of the following is NOT true about TQM?

Focused on worker s activity rather than management

Meeting the needs and expectations of customers

Inclusion of every person in the organization

Covering all the functional areas of the organization

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

Which of the following involves incremental changes within the organization whose cumulative effect is to deliver an increased rate of performance enhancement?

Continuous improvement

Competitive benchmarking

Business process re-engineering

Statistical process control

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

Which of the following terms reflects Japanese view of continuous improvement?

Kaizen

Poka-yoke

Six sigma

Inspection

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

Problem solving is an example of which of the following?

Internal failure cost (not sure)

External failure cost

Prevention cost

Appraisal cost

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

Which of the following statement defines process analysis?

It is collecting information, identifying each step and finding inputs and outputs of process

It is collecting information about cost reduction and improving the defects

It relates to asking questions about process flow and identifying missing or duplicating activities

It relates with taking a fresh approach to solve an issue on hand

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

The well-known Deming wheel is also referred to as:

Juran s cycle

Crosby s cycle
Ishikawa s cycle
Shewhart s cycle

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

Which of the following refers to the upper limit on the percentage of defects that a customer is willing to accept?

Acceptable Quality Level (AQL)
Lot Tolerance Percent Defective (LTPD)
Average Outgoing Quality (AOQ)
Average Outgoing Quality Limit (AOQL)

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

Aggregate planning usually covers time span of how many months?

2 12 months
2 15 months
2 16 months
2 17 months

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

Identify the mathematical expression to determine the number of workers in a given period. Where a = Number of workers at the end of previous period, b = Number of new workers at the start of the period, c = Number of laid-off workers at the start of the period

a + b - c
a + b + c
a - b + c
a - b - c

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

What would be the total cost of inventory, if a firm holds 200 units of a product A , where the carrying cost is Rs. 2 per unit?

Rs. 202
Rs. 100
Rs. 198
Rs. 400

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

Which of the following time fences in a Master Production Schedule (MPS) allows many? Variations in products with multiple changes?

Fixed time fence

Moderately firm time fence

Frozen time fence

Flexible time fence

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

Which of the following mathematical expressions can be employed to compute inventory cost?

Carrying cost per unit + average inventory cost

Carrying cost per unit × average inventory cost

Carrying cost per unit ÷ average inventory cost

Carrying cost per unit average inventory cost

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

The cost of a particular plan for a given period can be computed by using which one of the following expressions?

Output cost + hire/layoff cost + inventory cost + backorder cost

Output cost + hire/layoff cost + inventory cost + backorder cost

Output cost - hire/layoff cost + inventory cost + backorder cost

Output cost + hire/layoff cost - inventory cost + backorder cost

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

Which of the following is the costs of carrying an item in inventory for a specific period of time?

Ordering cost

Holding cost

Shortage cost

Stock out cost

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

Which one of the following mathematical expressions can be employed to compute annual carrying cost?

$(Q-2)H$

$(Q+2)H$

$(Q÷2)H$

$(Q×2)/H$

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

In which of the following systems an item s inventory is stored at two different locations?

Optional replenishment system

Base stock system

Two bin system

Universal bar code system method

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

Which of the following is known as a visual representation of the requirements in a bill of materials having all the components listed in levels?

- Master production schedule
- Material requirements planning
- Product structure tree**
- Inventory status record

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

Which of the following refers to the quantity expected to be received by the beginning of the period in which it is shown?

- Gross requirements
- Net requirements
- Planned-order receipts**
- Planned-order releases

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

ERP stands for which of the following?

- Enterprise Resource Planning**
- Enterprise Requirements Planning
- Equal Resource Planning
- Equal Requirements Planning

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

Which kind of production system is undertaken by JIT (Just In Time) production?

- Intermittent processing
- Job shop processing
- Repetitive processing**
- Batch processing

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

Which of the following refers to a card or device that communicates demand for work or materials from the preceding station?

- Kanban**
- Kaizen
- Inventory file
- Master schedule

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

DRP stands for which of the following?

- Demand Requirements Planning

Distribution Requirement Planning

Dividend Requirements Planning
Data Resource Planning

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

Which one of the following is a condition for a successful supply chain?

A large number of suppliers
Many short-term contracts

Trust among trading partners

Continuous competitive bidding

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

Which of the following refers to the length of time, a job is in the shop at a particular workstation?

Slack time
Lead time

Job flow time

Make-span

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

Which one of the following is focused to reduce the incidence of failures in the plant or equipment to avoid the associated costs?

Reactive maintenance
Total productive maintenance

Preventive maintenance

Predictive maintenance

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

Successful project management includes all of the following factors EXCEPT:

Interchangeable staff

Competent team members
Responsiveness to clients
Control mechanisms

Question No: 41 (Marks: 1) - Please choose one

Which of the following relates to delegation of responsibility to an organizational department for a project?

Project structure

Functional structure
Balanced matrix structure
Project matrix structure

Question No: 42 (Marks: 1) - Please choose one

Which of the following refers to the longest path taken for the project to complete?

Sensitive path

Coverage path

Critical path

Permanent path