

Operation Management Exams

1. The collection of people, technology, and systems within an organization that has primary responsibility for providing the organization's products or services is called:
 - A. The Supply Chain.
 - B. The Operations Function.
 - C. The Marketing Function.
 - D. The Finance Function.
2. Productivity increases when;
 - A. Inputs increase while outputs remain the same.
 - B. Input decrease while outputs remain the same.
 - C. Outputs decrease while inputs remain the same.
 - D. Inputs increase at the same rate as outputs.
3. Mr. Arkanto took mango from farmers and distribute it to the consumer in the capital city without any improvement on mango. What kind of transformation Mr. Arkanto did on the process?
 - A. Physical
 - B. Locational
 - C. Storage
 - D. Informational
4. ABC firm uses \$30 of chemicals, \$50 of labor, and \$5 of misc. expenses for each house it cleans. After some quality complaints, the company has decided to increase its use of chemicals by 50%. Total output is \$110 and What is total productivity level?
 - A. 1.1
 - B. 0.909
 - C. 0.86
 - D. None
5. Which is not true regarding differences between goods and services?
 - A. Services are generally produced and consumed simultaneously; tangible goods are not.
 - B. Services tend to be more knowledge-based than goods.
 - C. Services tend to have a more inconsistent product definition than goods.
 - D. Goods tend to have higher customer interaction than services.
6. What determines whether a company meets the wants and needs of customers relative to their competitors?
 - A. Mission and Strategy
 - B. Strategy formulation
 - C. Competitiveness
 - D. Strategy and tactics

7. To achieve a smoother transition from product design to production, companies are using simultaneous development of product design and process is _____.
- A. Computer Aided Design (CAD) C. Component Commonality
B. Design for Disassembly (DFD) D. Concurrent Engineering
8. Which code addresses the issue of responsibility of a manufacturer for any injuries or damages caused by a faulty product because of poor workmanship or design?
- A. Uniform Commercial Code C. Product liability
B. Design for disassembly D. Concurrent engineering
9. In ABC automobile company, the repair department has a design capacity of 50 trucks, effective capacity is 40 trucks per day while the actual capacity is 36 trucks per day. By how much percentage of the company is utilized its overall capacity?
- A. 72% B. 76% C. 86% D. 90%
10. Which facility layout utilizes stationary products, move workers, and materials as needed?
- A. Fixed B. Product C. Process D. CAD
11. The type of processing structure that is used to produce gasoline, chemicals, and steel is:
- A. Job Shop C. Assembly Line
B. Batch D. Continuous Flow
12. Mrs. Tsige operate a DSTV business. Mrs. Tsige forecast the next week game and add seats to accommodate demand. What kinds of capacity plan she used?
- A. Proactive C. Reactive
B. Neutral D. Design
13. Which is the correct order for process types starting with low volume/high variety and moving to high volume/low variety?
- A. Batch processing, Repetitive, Job shop, Continuous processes
B. Job shop, Batch processing, Repetitive, Continuous processes
C. Batch processing, Job shop, Continuous, Repetitive processes
D. Batch processing, Continuous, Job shop, Repetitive processes
14. All are among the advantages of 'U' shaped layout over the straight line, **except**:
- A. Minimize material handling C. Minimize communication among workers
B. Worker assignment is increased D. Facilitating teamwork

15. The basic objective of layout design is to facilitate a smooth flow of work, material, and information through the system that_____ Except?
- A. Facilitate attainment of product or service quality.
 - B. Minimize material handling costs.
 - C. Eliminate unnecessary movements of workers or materials.
 - D. Maximize customer service time.
16. Mr. Asfaw wants to modify the capacity the current level of production by 70 percent in the long-range plan. As an operation manager what will be your suggestion for Mr. Asfaw
- A. Sub-Contract
 - B. Add Equipment/ shifts
 - C. Add Personnel
 - D. Add Facilities
17. Which of the following is **not** a primary factor in location decisions for manufacturing plants?
- A. Proximity to raw materials
 - B. Proximity to customers
 - C. Proximity to different transportation mode
 - D. Proximity to significant labor pools
18. Which one is correctly ordered on phases of the Product Life Cycle?
- A. Design; Introduction; Maturity; Decline
 - B. Growth; Maturity; Decline; Re-Design
 - C. Introduction; Growth; Maturity; Decline
 - D. Introduction; Maturity; Decline; Re-Design
19. It is the process of making sure that finished products maintain their consistency over a wide range of conditions.
- A. Modular Design
 - B. Design for Manufacturing
 - C. Concurrent Engineering
 - D. Robust Design
20. Location analysis assumes that both qualitative and quantitative factors are important in determining an ideal location when using:
- A. The Transportation Model
 - B. The Centre of Gravity Method
 - C. Factor Rating
 - D. Cost-Profit Analysis
21. Which of the following would consider as factors while designing service. Except?
- A. Service guarantee & cycle of service
 - B. Explicit and implicit services
 - C. Customer contact and service recovery
 - D. None of the above

22. Which of the following is an implication of high variety?
- A. Low unit cost
 - B. Flexibility
 - C. High volume
 - D. Standardization
23. Which of the following is an advantage of standardization?
- A. More routine purchasing, handling and inspection of procedures.
 - B. Design may be frozen with too many imperfections remaining.
 - C. High cost of design results increases resistance to improvements.
 - D. Decreased variety results in less consumer appeal.
24. Which of the following is not a potential way of improving reliability?
- A. Improve component design
 - B. Improve testing and use backups
 - C. Avoid preventive maintenance
 - D. Improve production/ assembly techniques
25. A bests strategy for business organization with competitive priority is cost?
- A. Low price relatively
 - B. Volume production
 - C. Standardize product
 - D. All of the above
26. Which of the following would **not** generally be considered an aspect of operations management?
- A. Secure financial resources
 - B. Maintain quality
 - C. Product or service design
 - D. Manage inventories
27. _____ is the knowledge exhibited by personnel who come into contact with a customer and their ability to convey trust and confidence.
- A. Convenience
 - B. Responsiveness
 - C. Assurance
 - D. Consistency
28. Which of the following **aren't** the reasons for Layout Decisions
- A. Introduction of new products
 - B. Changes in output volume or mix
 - C. Changes in regulations
 - D. None of the above
29. Which quality certification pertains to set of international standards on quality management and quality assurance?
- A. ISO 14000
 - B. ISO 24700
 - C. ISO 9000
 - D. ISO 27000
30. _____ is a concept that recognizes quality improvement is a journey with no end.
- A. Continuous improvement
 - B. Six Sigma
 - C. Employee empowerment
 - D. Benchmarking

31. Which of the following statement is correct

- A.** Layout is an exterior design problem that strongly interacts with structure and specific site selection and equipment choice.
- B.** Process layout is less efficient and has higher unit production costs than product layouts.
- C.** Process layouts are quite commonly used manufacturing firm environments.
- D.** Fixed path material handling equipment like conveyers, and rails are mostly used in Job Shop Production process.

32. Which of the following statement is correct

- A.** Robust design is defined as the ability of a product to perform its function under a prescribed set of condition.
- B.** The marketing effort of repetitive production process is directed towards to get and fill individual customers for varied products.
- C.** Location choice would have an impact on capacity planning and flexibility of production.
- D.** Order qualifier is a criterion that differentiates the products of one firm from another.