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| *Indicate the answer choice that best completes the statement or answers the question.* |

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| 1. Harry's Inc., a manufacturer of men's apparel, manufactures large quantities of the company's basic clothing lines to keep the manufacturing costs low. Given this information, it can be inferred that Harry's Inc. pursues:   |  |  |  | | --- | --- | --- | |  | a. | just-in-time production. | |  | b. | mass production. | |  | c. | mass customization. | |  | d. | lean production. | |

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| 2. Marie, an operations manager at Clagox Systems, spends a lot of time in figuring out ways to achieve the established goals of the company at minimal costs. She conducts meetings and asks for suggestions from her teammates to reach the targets at the lowest possible expense. In this scenario, Marie is focusing on \_\_\_\_\_.   |  |  |  | | --- | --- | --- | |  | a. | effectiveness | |  | b. | efficiency | |  | c. | undifferentiated marketing | |  | d. | immediate predecessors | |

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| 3. Ursula Corp., a manufacturer of notebooks, makes small batches of different kinds of notebooks according to the customer demand. In this way, it caters to the needs of various customers without significantly increasing the manufacturing cost. In this scenario, which of the following techniques does Ursula employ?   |  |  |  | | --- | --- | --- | |  | a. | Computer-aided engineering | |  | b. | Mass production | |  | c. | Adjustable manufacturing | |  | d. | Mass customization | |

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| 4. A \_\_\_\_\_ falls between the product layout and the process layout.   |  |  |  | | --- | --- | --- | |  | a. | cellular layout | |  | b. | line layout | |  | c. | fixed position layout | |  | d. | functional layout | |

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| 5. The term \_\_\_\_\_ refers to stocks of goods or other items held by an organization.   |  |  |  | | --- | --- | --- | |  | a. | kanban | |  | b. | floor load | |  | c. | inventory | |  | d. | poke-yoke | |

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| 6. Enterprise resource planning (ERP) systems are:   |  |  |  | | --- | --- | --- | |  | a. | complex. | |  | b. | cheap. | |  | c. | easy to implement. | |  | d. | user-friendly. | |

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| 7. In the context of the location of facilities, the operations manager of a \_\_\_\_\_ is likely to choose a location based on the proximity to customers.   |  |  |  | | --- | --- | --- | |  | a. | publishing house | |  | b. | bank | |  | c. | food packaging plant | |  | d. | coal mine | |

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| 8. Identify a true statement about process layouts.   |  |  |  | | --- | --- | --- | |  | a. | They can be used to produce a variety of products without the need for expensive retooling. | |  | b. | They reduce processing times but are inflexible. | |  | c. | They can be used for constructing large and bulky goods, such as ships or commercial airplanes. | |  | d. | They require highly specialized machinery that is designed to perform one specific task very efficiently. | |

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| 9. Unlike the value chain, the supply chain:   |  |  |  | | --- | --- | --- | |  | a. | focuses primarily on the customer. | |  | b. | involves providing services after the sale. | |  | c. | is primarily oriented toward traditional production relationships. | |  | d. | includes activities and processes involved in acquiring customers. | |

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| 10. Identify a benefit of holding larger inventories.   |  |  |  | | --- | --- | --- | |  | a. | Decreased holding costs | |  | b. | Decreased risk of losses due to depreciation | |  | c. | High availability of funds | |  | d. | Smooth production schedules | |

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| 11. The term servicescape refers to the:   |  |  |  | | --- | --- | --- | |  | a. | contribution of a customer in obtaining services. | |  | b. | free services that come with a product. | |  | c. | environment in which customer service employees are trained. | |  | d. | environment in which a customer and service provider interact. | |

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| 12. Harry, an architect working for Buildext Corp., uses a software program to create blueprints of buildings planned by him. This software enables him to create 3-D drawings that make his presentation effective. In this scenario, which of the following software does Harry use to create the blueprints?   |  |  |  | | --- | --- | --- | |  | a. | Computer-aided engineering software | |  | b. | Computer-aided design software | |  | c. | Computer-aided manufacturing software | |  | d. | Computer-aided processing software | |

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| 13. In operations management, quality is defined in terms of:   |  |  |  | | --- | --- | --- | |  | a. | the ratio of cost to output. | |  | b. | how well a product satisfies customer preferences. | |  | c. | additional tangible features that come with a product. | |  | d. | the time taken to inspect one unit of a product. | |

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| 14. The long-term goal of most green practices is to:   |  |  |  | | --- | --- | --- | |  | a. | reduce rework. | |  | b. | improve work–life balance. | |  | c. | reduce costs. | |  | d. | achieve sustainability. | |

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| 15. April owns a bakery that specializes in bulk orders. April does not have enough storage space and therefore maintains a very small inventory of finished goods and raw materials. She depends on her suppliers to supply raw materials quickly whenever she receives an order, and she has created a system that allows her to seamlessly coordinate with all her suppliers in real time. From the given information, it can be inferred that April follows the:   |  |  |  | | --- | --- | --- | |  | a. | push system of inventory control. | |  | b. | mass production system. | |  | c. | just-in-time production system. | |  | d. | continuous production system. | |

**Answer Key**

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| 1. b |

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| 2. b |

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| 3. d |

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| 4. a |

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| 5. c |

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| 6. a |

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| 7. b |

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| 8. a |

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| 9. c |

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| 10. d |

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| 11. d |

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| 12. b |

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| 13. b |

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| 14. d |

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| 15. c |