

Test Bank For

Operations Management Processes and Supply Chains, 2025 14th Edition by Lee J. Krajewski
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Chapter 1-15 With Supplement

Chapter 1 Using Operations to Create Value

1.1 Role of Operations in an Organization

1) Operations management refers to the direction and control of inputs that transform processes into products and services.

Answer: TRUE

Difficulty: Easy

Keywords: operations management, inputs, process, transformation

Learning Outcome: Discuss operations and operations management as a competitive advantage for the organization

AACSB: Application of Knowledge

Learning Objective: Describe the role of operations in an organization and its historical evolution over time.

2) An operation is a group of resources performing all or part of one or more processes.

Answer: TRUE

Difficulty: Easy

Keywords: operations management, inputs, process, transformation

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3) The three main line functions of any business include Operations, Finance and Marketing.

Answer: TRUE

Difficulty: Easy

Keywords: operations, finance, marketing

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4) The scope of supply chain management is restricted to the synchronization of the process among the various business functions within the firm.

Answer: FALSE

Difficulty: Easy

Keywords: supply chain management, processes

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5) Operations managers are rarely involved in the design of new products and services.

Answer: TRUE

Difficulty: Easy

Keywords: operations manager role

Learning Outcome: Discuss operations and operations management as a competitive advantage for the organization

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6) Operations managers are routinely involved with budgeting and forecasting since these are usually handled by managers from other business functions.

Answer: FALSE

Difficulty: Easy

Keywords: operations manager role

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7) Regardless of how departments like Accounting, Engineering, Finance, and Marketing function in an organization, they are all linked together through:

A) management.

B) processes.

C) customers.

D) stakeholders.

Answer: B

Difficulty: Moderate

Keywords: departments, functions, processes

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8) The foundations of modern manufacturing and technological breakthroughs were inspired by the creation of the mechanical computer by:

- A) Charles Babbage.
- B) James Watt.
- C) Eli Whitney.
- D) Frederick Taylor.

Answer: A

Difficulty: Moderate

Keywords: Charles Babbage

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9) Which of these Great Moments in Operations and Supply Chain Management did not occur in the twentieth century?

- A) invention of the assembly line
- B) publication of the Toyota Production Systems book
- C) establishment of railroads
- D) strategic planning for achieving product variety

Answer: C

Difficulty: Moderate

Keywords: history, railroad

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10) The three main line functions of any business include:

- A) operations.
- B) marketing.
- C) finance.
- D) information systems.
- E) all of the above
- F) only A), B) and C) above

Answer: F

Difficulty: Moderate

Keywords: operations, finance, marketing

Learning Outcome: Discuss operations and operations management as a competitive advantage for the organization

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Learning Objective: Describe the role of operations in an organization and its historical evolution over time.

11) Operations management refers to the systematic design, direction, and control of _____ that

transform _____ into products and services.

Answer: processes, inputs

Difficulty: Moderate

Keywords: process, input, transform, product, service

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12) The three mainline functions of any business are _____, _____, and _____.

Answer: operations, finance, marketing

Difficulty: Moderate

Keywords: operations, finance, marketing, functions of a firm

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13) Supply chain management is the synchronization of a firm's processes with those of its _____ and _____ to match the flow of materials, services, and information.

Answer: suppliers, customers

Difficulty: Moderate

Keywords: supply chain management, suppliers, customers

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14) What are the three key functions of a firm and what is each responsible for?

Answer: The three main functions of a firm are operations, finance, and marketing. The operations function transforms material and service inputs into product and service outputs. The finance function generates resources, capital and funds from investors and sales of the firm's goods and services in the marketplace. The marketing function is responsible for producing sales revenue of the outputs.

Difficulty: Moderate

Keywords: manufacturing process, service process

Learning Outcome: Discuss operations and operations management as a competitive advantage for the organization

AACSB: Application of Knowledge

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1.2 A Process View