

Student: _____

1. What is a criterion or product characteristic that differentiates a product from the products of competitors in a way meaningful to the market called?
 - A. Corporate Social Responsibility
 - B. Order Qualifier
 - C. Straddling
 - D. Trade-Off
 - E. Order Winner
2. People who provide capital to the firm through stock purchases are called _____.
 - A. order Winners
 - B. shareholders
 - C. order qualifiers
 - D. stakeholders
 - E. employees
3. What is the term when a corporate strategy is developed and all functional areas then coordinate their own strategies to implement it?
 - A. Medium Term Tactical Linkages
 - B. Across Time Strategic Linkages
 - C. Short Term Operational Linkages
 - D. Horizontal Strategic Linkages
 - E. Vertical Strategic Linkages
4. Which of the following is not a major strategic operational competitive dimension that forms a company's competitive position?
 - A. Cost or price
 - B. Delivery speed
 - C. Delivery reliability
 - D. Activity-based mapping
 - E. Coping with changes in demand
5. A major competitive dimension that forms a company's strategic operational competitive position in their strategic planning is which of the following?
 - A. Cost or price
 - B. Focus
 - C. Automation
 - D. Straddling
 - E. Activity-based mapping
6. When developing an operations and supply chain strategy, which of the following is an important product-specific criterion to consider?
 - A. Technical liaison
 - B. Learning curve
 - C. Competitor's product performance
 - D. Production lot-size
 - E. Quality management

7. In developing an operations and supply chain strategy, which of the following would be an important product-specific criterion to consider?
 - A. Focus
 - B. Production lot-size
 - C. Supplier after-sale support
 - D. Learning curve
 - E. Quality management

8. When a company seeks to match the benefits of a successful position while maintaining its existing position in offering customers a variety of differing services, what is this process called?
 - A. Operations capability analysis
 - B. Straddling
 - C. Order qualifying
 - D. Order winning
 - E. Inter-functional analysis

9. If a firm decides to be a high quality producer, which of the following is the most likely trade-off?
 - A. Speed of delivery
 - B. Flexibility
 - C. Low cost
 - D. Range of products offered
 - E. Technical support

10. The operations and supply chain strategy framework presented in the textbook does not include which of the following competitive dimensions?
 - A. Quality
 - B. Delivery speed
 - C. Flexibility
 - D. Price
 - E. People

11. The operations and supply chain strategy framework presented in the textbook includes which of the following competitive dimensions?
 - A. Customer Satisfaction
 - B. Product Leadership
 - C. Delivery speed
 - D. People
 - E. Management

12. Which of the following is not a competitive dimension primary to services?
 - A. Technical liaison
 - B. Meeting launch dates
 - C. After sale support
 - D. Speed of response
 - E. Price

13. If a firm decides to focus on speed of delivery, which of the following is the most likely trade-off?
 - A. High quality
 - B. Flexibility in terms of the ability to offer a wide range of products
 - C. Low cost
 - D. Core Competency
 - E. Technical support

14. Which of the following marketing oriented terms refers to the differentiation of products and services from one another?
 - A. Distinctive competency
 - B. Order qualifier
 - C. Core competency
 - D. Order winner
 - E. Order turnover

15. Which of the following marketing oriented terms refers to the screening criterion that permits a firms products and services to even be considered as possible candidates for purchase?
 - A. Distinctive competency
 - B. Order qualifier
 - C. Core competency
 - D. Order winner
 - E. Order turnover

16. Which of the following will result from the delivery and implementation of a strategy which tightly links operational activities?
 - A. Core competency
 - B. Competitive advantage
 - C. Operational strategy
 - D. Competitive dimensions
 - E. Order qualifiers

17. Operations strategy must be linked _____ to the customer and _____ to other parts of the enterprise.
 - A. directly, indirectly
 - B. horizontally, vertically
 - C. indirectly, directly
 - D. vertically, horizontally
 - E. at a high level, at a low level

18. For companies to succeed, their business strategy should be linked to what higher level strategy?
 - A. Core competency
 - B. Mission
 - C. Marketing
 - D. Operations
 - E. Corporate

19. Which of the following is not considered a strategic Operations Strategy Decision?
 - A. Organizational structure
 - B. Location
 - C. Capacity
 - D. Vertical integration
 - E. Process choice

20. Which of the following is not considered a tactical Operations Strategy Decision?
 - A. Workforce
 - B. Location
 - C. Organization structure
 - D. Quality management
 - E. Operations planning and control

21. Which of the following is considered a tactical Operations Strategy Decision?
 - A. Organization structure
 - B. Location
 - C. Capacity
 - D. Vertical integration
 - E. Process choice

22. Which of the following is considered a strategic Operations Strategy Decision?
- A. Workforce
 - B. Location
 - C. Organizational structure
 - D. Quality management
 - E. Operations planning and control
23. Which of the following describes the distinctive skills or capabilities that an organization possesses?
- A. Resource capabilities
 - B. Distinctive capabilities
 - C. Order qualifier capabilities
 - D. Order winner capabilities
 - E. Core capabilities
24. Which of the following criteria are defined as the triple bottom line?
- A. Work, Economic, and Sustainable
 - B. Social, Planet, and People
 - C. People, Operations, and Environmental
 - D. Social, Economic, and Environmental
 - E. Work, People, and Economic
25. A Risk Management Framework does not include which step?
- A. Assessment of the potential impact of the risk.
 - B. Develop plans to mitigate the risk.
 - C. Assess operation's mission statement.
 - D. Identify the sources of potential disruptions.
 - E. Develop contingency plans.
26. Operations and supply strategy is concerned with short term planning of the daily operational functions.
True False
27. Operations and supply strategy is concerned with setting broad policies and plans for using the resources of a firm to best support its long-term competitive strategy.
True False
28. Quality is one of the major competitive dimensions that forms the competitive position of a firm.
True False
29. Delivery speed is not a major competitive dimension that forms the competitive position of a firm.
True False
30. Design quality relates to the set of features the product or service contains.
True False
31. Implementing a strategy requires "walking the talk" - following through with the medium-term and short-term decisions and processes that will enable the long-term strategy to be successful.
True False
32. Supply chain risk is defined as the likelihood of a disruption that would impact the ability of the company to continuously supply products or services.
True False
33. Attempting to balance the desire to efficiently use resources while providing a highly effective service may create conflict between the two goals.
True False
34. Delivery reliability relates to a firm's ability to supply the product or service on or before the promised delivery due date.
True False

35. An effective operations and supply strategy must be integrated with the organization's corporate strategy.
True False
36. One of the competitive dimensions that form the competitive position of a company when planning their strategies is cost.
True False
37. One of the competitive dimensions that form the competitive position of a company, when planning their strategies, is delivery speed.
True False
38. One of the competitive dimensions that form the competitive position of a company, when planning their strategies, is making the best trade-off.
True False
39. Central to the concept of operations and supply chain strategy is the notion of operations focus and trade-offs.
True False
40. The process when a company seeks to match the benefits of a successful position while maintaining its existing position by adding new features, services, and technologies into its current portfolio is called flexibility.
True False
41. The process when a company seeks to match the benefits of a successful position while maintaining its existing position by adding new features, services, and technologies into its current portfolio is called straddling.
True False
42. Following a straddling strategy, firms can broaden their capabilities and effectively compete with more focused firms in markets requiring low cost for success.
True False
43. An order winner is a criterion that differentiates the products or services of one firm from another.
True False
44. An order winner is a screening criterion that permits a firm's products to be considered as possible candidates for purchase.
True False
45. An order qualifier is a screening criterion that permits a firm's products to be considered as possible candidates for purchase.
True False
46. Being the low-cost producer in any market always guarantees profitability and success.
True False
47. A company's ability to respond to increases and decreases in demand is not one of the competitive dimensions that form a company's competitive position.
True False
48. An important element of competitiveness is a company's ability to quickly develop and offer new products and services to its customers.
True False
49. Often special services are provided to augment the sales of manufactured products.
True False

50. The ability of a firm to support its product after the sale is not a competitive dimension that forms the competitive position of a firm.
True False
51. Order-winning criteria and order-qualifying criteria may change over time as marketing dimensions shift.
True False
52. Over time an order-winner can become an order-qualifier.
True False
53. All of the activities that make up a firm's operation should be kept within operational silos to facilitate planning and efficiency.
True False
54. A company's strategic themes can be identified and implemented through individual departmental goals and strategies.
True False
55. Operations strategy cannot be designed in a vacuum. It must be linked vertically to the customer and horizontally to other parts of the enterprise.
True False
56. A business strategy should be developed first and then linked to corporate strategy.
True False
57. Identifying core competencies is a critical component of a company's business strategy.
True False
58. Once a company's business strategy is formed then order winning and order qualifying strategies can be developed.
True False
59. Operational strategy decisions are used to form lower level business strategy decisions.
True False
60. A company's core capabilities refer to the distinctive skills or capabilities that the organization possesses.
True False
61. Identification of a firm's core capabilities does not factor into the development of operational or business strategies.
True False
62. Operations activities must be linked to the other functions of the firm.
True False
63. If an operational competitive priority is quality then human resources must be focused on the training and retention of skilled employees.
True False
64. Quite often the best way to create a distinctive core competence is to tinker with the current system by introducing the latest technologies.
True False
65. The best way for an organization to create a distinctive core competence is to structure a whole new product realization system differently and better than any other competitor.
True False

66. The triple bottom line considers evaluating the firm against social, economic, and environmental criteria.
True False
67. Sustainability means meeting a firm's current needs without excessively compromising the ability of future generations to meet their own needs.
True False
68. The social impact of the triple bottom line concept pertains to fair and beneficial business practices toward labour, the community, and the region in which a firm conducts its business.
True False
69. A firm's business practices toward its' labourforce pertain mainly to the economic aspect of the triple bottom line concept.
True False
70. According to the economic aspect of the triple bottom line concept, the firm is required to compensate shareholders by paying dividends and growing the value of their common stock faster than their competitors.
True False
71. Within a sustainability framework, the economic dimension of the triple bottom line concept goes beyond just profit for the firm and also provides lasting economic benefit to society.
True False
72. Some aspects of corporate social responsibility such as ethical production are now becoming order qualifiers.
True False
73. The activities at every level of the vertical supply chain have to be consistent with the overall strategy.
True False
74. Discuss the concept of "Straddling" and of how competing on multiple dimensions can result in either failure or success.
75. Describe a specific example of the trade-offs between any two of the six major operational competitive dimensions.

2 Key

1. What is a criterion or product characteristic that differentiates a product from the products of competitors in a way meaningful to the market called?
- A. Corporate Social Responsibility
 - B. Order Qualifier
 - C. Straddling
 - D. Trade-Off
 - E. Order Winner**

An order winner is a criterion that differentiates the products or services of one firm from those of another.

Chapter - Chapter 02 #1

Difficulty: Medium

Learning Objective: 02-03 Identify order winners and order qualifiers.

2. People who provide capital to the firm through stock purchases are called _____.
- A. order Winners
 - B. shareholders**
 - C. order qualifiers
 - D. stakeholders
 - E. employees

People who provide capital to the firm through stock purchases are called shareholders.

Chapter - Chapter 02 #2

Difficulty: Easy

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

3. What is the term when a corporate strategy is developed and all functional areas then coordinate their own strategies to implement it?
- A. Medium Term Tactical Linkages
 - B. Across Time Strategic Linkages
 - C. Short Term Operational Linkages
 - D. Horizontal Strategic Linkages**
 - E. Vertical Strategic Linkages

Horizontal Strategic Linkages: After corporate strategy is developed, all functional areas then must coordinate their own strategies to implement it.

Chapter - Chapter 02 #3

Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

4. Which of the following is not a major strategic operational competitive dimension that forms a company's competitive position?
- A. Cost or price
 - B. Delivery speed
 - C. Delivery reliability
 - D. Activity-based mapping**
 - E. Coping with changes in demand

The major competitive dimensions that form the competitive position of a firm include cost or price, quality, delivery speed, delivery reliability, coping with changes in demand, flexibility and new product introduction speed, as well as other product specific criteria/support it! An emerging competitive dimension is Environmentalism and Corporate Social Responsibility (CSR).

Chapter - Chapter 02 #4

Difficulty: Medium

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

5. A major competitive dimension that forms a company's strategic operational competitive position in their strategic planning is which of the following?
- A. Cost or price**
 - B. Focus
 - C. Automation
 - D. Straddling
 - E. Activity-based mapping

The major competitive dimensions that form the competitive position of a firm include cost or price, quality, delivery speed, delivery reliability, coping with changes in demand, flexibility and new product introduction speed, as well as other product specific criteria/support it! An emerging competitive dimension is Environmentalism and Corporate Social Responsibility (CSR).

Chapter - Chapter 02 #5

Difficulty: Medium

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

6. When developing an operations and supply chain strategy, which of the following is an important product-specific criterion to consider?
- A. Technical liaison**
 - B. Learning curve
 - C. Competitor's product performance
 - D. Production lot-size
 - E. Quality management

A supplier may be expected to provide technical assistance for product development, particularly during the early stages of design and manufacturing.

Chapter - Chapter 02 #6

Difficulty: Medium

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

7. In developing an operations and supply chain strategy, which of the following would be an important product-specific criterion to consider?
- A. Focus
 - B. Production lot-size
 - C. Supplier after-sale support**
 - D. Learning curve
 - E. Quality management

An important competitive dimension may be the ability of a firm to support its product after the sale.

Chapter - Chapter 02 #7
Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

8. When a company seeks to match the benefits of a successful position while maintaining its existing position in offering customers a variety of differing services, what is this process called?
- A. Operations capability analysis
 - B. Straddling**
 - C. Order qualifying
 - D. Order winning
 - E. Inter-functional analysis

Straddling occurs when a company seeks to match the benefits of a successful position while maintaining its existing position. It adds new features, services, or technologies onto the activities it already performs.

Chapter - Chapter 02 #8
Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

9. If a firm decides to be a high quality producer, which of the following is the most likely trade-off?
- A. Speed of delivery
 - B. Flexibility
 - C. Low cost**
 - D. Range of products offered
 - E. Technical support

Management has to decide which parameters of performance are critical to the firm's success and then concentrate the resources of the firm on these particular characteristics. High quality is viewed as a trade-off to low cost.

Chapter - Chapter 02 #9
Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

10. The operations and supply chain strategy framework presented in the textbook does not include which of the following competitive dimensions?
- A. Quality
 - B. Delivery speed
 - C. Flexibility
 - D. Price
 - E. People**

The major competitive dimensions that form the competitive position of a firm include cost or price, quality, delivery speed, delivery reliability, coping with changes in demand, flexibility and new product introduction speed, as well as other product specific criteria/support it! An emerging competitive dimension is Environmentalism and Corporate Social Responsibility (CSR).

Chapter - Chapter 02 #10

Difficulty: Medium

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

11. The operations and supply chain strategy framework presented in the textbook includes which of the following competitive dimensions?
- A. Customer Satisfaction
 - B. Product Leadership
 - C. Delivery speed**
 - D. People
 - E. Management

The major competitive dimensions that form the competitive position of a firm include cost or price, quality, delivery speed, delivery reliability, coping with changes in demand, flexibility and new product introduction speed, as well as other product specific criteria/support it! An emerging competitive dimension is Environmentalism and Corporate Social Responsibility (CSR).

Chapter - Chapter 02 #11

Difficulty: Medium

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

12. Which of the following is not a competitive dimension primary to services?
- A. Technical liaison
 - B. Meeting launch dates
 - C. After sale support
 - D. Speed of response
 - E. Price**

In addition to the competitive dimensions that are the most common, most of the dimensions listed next are primarily service in nature: technical liaison and support, meeting a launch date, supplier after-sale support, and speed of response.

Chapter - Chapter 02 #12

Difficulty: Medium

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

13. If a firm decides to focus on speed of delivery, which of the following is the most likely trade-off?
- A. High quality
 - B.** Flexibility in terms of the ability to offer a wide range of products
 - C. Low cost
 - D. Core Competency
 - E. Technical support

Management has to decide which parameters of performance are critical to the firm's success and then concentrate the resources of the firm on these particular characteristics. A low-cost strategy is not compatible with either speed of delivery or flexibility.

Chapter - Chapter 02 #13

Difficulty: Medium

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

14. Which of the following marketing oriented terms refers to the differentiation of products and services from one another?
- A. Distinctive competency
 - B. Order qualifier
 - C. Core competency
 - D.** Order winner
 - E. Order turnover

An order winner is a criterion that differentiates the products or services of one firm from another.

Chapter - Chapter 02 #14

Difficulty: Medium

Learning Objective: 02-03 Identify order winners and order qualifiers.

15. Which of the following marketing oriented terms refers to the screening criterion that permits a firm's products and services to even be considered as possible candidates for purchase?
- A. Distinctive competency
 - B.** Order qualifier
 - C. Core competency
 - D. Order winner
 - E. Order turnover

An order qualifier is a screening criterion that permits a firm's products to even be considered as possible candidates for purchase.

Chapter - Chapter 02 #15

Difficulty: Medium

Learning Objective: 02-03 Identify order winners and order qualifiers.

16. Which of the following will result from the delivery and implementation of a strategy which tightly links operational activities?
- A. Core competency
 - B.** Competitive advantage
 - C. Operational strategy
 - D. Competitive dimensions
 - E. Order qualifiers

Competitive advantage comes when activities fit with and reinforce one another in line with the overall strategy.

Chapter - Chapter 02 #16

Difficulty: Hard

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

17. Operations strategy must be linked _____ to the customer and _____ to other parts of the enterprise.
- A. directly, indirectly
 - B. horizontally, vertically
 - C. indirectly, directly
 - D. vertically, horizontally**
 - E. at a high level, at a low level

Operations strategy cannot be designed in a vacuum. It must be linked vertically to the customer and horizontally to other parts of the enterprise.

Chapter - Chapter 02 #17
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

18. For companies to succeed, their business strategy should be linked to what higher level strategy?
- A. Core competency
 - B. Mission
 - C. Marketing
 - D. Operations
 - E. Corporate**

Corporate strategy defines the specific businesses in which the firm will compete and how it will compete.

Chapter - Chapter 02 #18
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

19. Which of the following is not considered a strategic Operations Strategy Decision?
- A. Organizational structure**
 - B. Location
 - C. Capacity
 - D. Vertical integration
 - E. Process choice

In Exhibit 2.3, strategic Operations Strategy Decisions include Location, capacity, vertical integration, and process choice.

Chapter - Chapter 02 #19
Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

20. Which of the following is not considered a tactical Operations Strategy Decision?
- A. Workforce
 - B. Location**
 - C. Organization structure
 - D. Quality management
 - E. Operations planning and control

In Exhibit 2.3, tactical Operations Strategy Decisions include workforce, quality management, operations planning and control, and organization structure.

Chapter - Chapter 02 #20
Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

21. Which of the following is considered a tactical Operations Strategy Decision?
- A.** Organization structure
 - B. Location
 - C. Capacity
 - D. Vertical integration
 - E. Process choice

In Exhibit 2.3, tactical Operations Strategy Decisions include workforce, quality management, operations planning and control, and organization structure.

Chapter - Chapter 02 #21
Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

22. Which of the following is considered a strategic Operations Strategy Decision?
- A. Workforce
 - B.** Location
 - C. Organizational structure
 - D. Quality management
 - E. Operations planning and control

In Exhibit 2.3, strategic Operations Strategy Decisions include Location, capacity, vertical integration, and process choice.

Chapter - Chapter 02 #22
Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

23. Which of the following describes the distinctive skills or capabilities that an organization possesses?
- A. Resource capabilities
 - B. Distinctive capabilities
 - C. Order qualifier capabilities
 - D. Order winner capabilities
 - E.** Core capabilities

Core capabilities (or competencies) are the distinctive skills or capabilities that the organization possesses.

Chapter - Chapter 02 #23
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

24. Which of the following criteria are defined as the triple bottom line?
- A. Work, Economic, and Sustainable
 - B. Social, Planet, and People
 - C. People, Operations, and Environmental
 - D.** Social, Economic, and Environmental
 - E. Work, People, and Economic

The triple bottom line considers evaluating the firm against social, economic, and environmental criteria.

Chapter - Chapter 02 #24
Difficulty: Medium

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

25. A Risk Management Framework does not include which step?
- A. Assessment of the potential impact of the risk.
 - B. Develop plans to mitigate the risk.
 - C. Assess operation's mission statement.**
 - D. Identify the sources of potential disruptions.
 - E. Develop contingency plans.

A four-step risk management framework includes 1) Identify the sources of potential disruptions, 2) Assessment of the potential impact of the risk, 3) Develop plans to mitigate the risk, 4) Develop contingency plans.

Chapter - Chapter 02 #25
Difficulty: Medium

Learning Objective: 02-05 List the concepts of risk assessment and mitigation.

26. Operations and supply strategy is concerned with short term planning of the daily operational functions.
FALSE

Operations and supply chain strategy is concerned with setting broad policies and plans for using the resources of a firm to best support its long-term competitive strategy.

Chapter - Chapter 02 #26
Difficulty: Easy

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

27. Operations and supply strategy is concerned with setting broad policies and plans for using the resources of a firm to best support its long-term competitive strategy.
TRUE

Operations and supply strategy is concerned with setting broad policies and plans for using the resources of a firm to best support its long-term competitive strategy.

Chapter - Chapter 02 #27
Difficulty: Easy

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

28. Quality is one of the major competitive dimensions that forms the competitive position of a firm.
TRUE

Quality is one of the major competitive dimensions that forms the competitive position of a firm.

Chapter - Chapter 02 #28
Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

29. Delivery speed is not a major competitive dimension that forms the competitive position of a firm.
FALSE

Delivery speed is not a major competitive dimension that forms the competitive position of a firm.

Chapter - Chapter 02 #29
Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

30. Design quality relates to the set of features the product or service contains.

TRUE

Design quality relates to the set of features the product or service contains.

Chapter - Chapter 02 #30

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

31. Implementing a strategy requires "walking the talk" - following through with the medium-term and short-term decisions and processes that will enable the long-term strategy to be successful.

TRUE

The implementation of a strategy requires long-term (strategic), medium-term (tactical), and short-term (operational) decisions for success. Implementing a strategy requires "walking the talk" - following through with the medium-term and short-term decisions and processes that will enable the long-term strategy to be successful.

Chapter - Chapter 02 #31

Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

32. Supply chain risk is defined as the likelihood of a disruption that would impact the ability of the company to continuously supply products or services.

TRUE

Supply chain risk is defined as the likelihood of a disruption that would impact the ability of the company to continuously supply products or services.

Chapter - Chapter 02 #32

Difficulty: Medium

Learning Objective: 02-05 List the concepts of risk assessment and mitigation.

33. Attempting to balance the desire to efficiently use resources while providing a highly effective service may create conflict between the two goals.

TRUE

Attempting to balance the desire to efficiently use resources while providing a highly effective service may create conflict between the two goals.

Chapter - Chapter 02 #33

Difficulty: Medium

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

34. Delivery reliability relates to a firm's ability to supply the product or service on or before the promised delivery due date.

TRUE

Delivery reliability relates to a firm's ability to supply the product or service on or before the promised delivery due date.

Chapter - Chapter 02 #34

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

35. An effective operations and supply strategy must be integrated with the organization's corporate strategy.

TRUE

An effective operations and supply strategy must be integrated with the organization's corporate strategy.

Chapter - Chapter 02 #35

Difficulty: Easy

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

36. One of the competitive dimensions that form the competitive position of a company when planning their strategies is cost.

TRUE

Cost is one of the competitive dimensions that form the competitive position of a company when planning their strategies.

Chapter - Chapter 02 #36

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

37. One of the competitive dimensions that form the competitive position of a company, when planning their strategies, is delivery speed.

TRUE

Delivery speed is one of the competitive dimensions that form the competitive position of a company when planning their strategies.

Chapter - Chapter 02 #37

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

38. One of the competitive dimensions that form the competitive position of a company, when planning their strategies, is making the best trade-off.

FALSE

The major competitive dimensions that form the competitive position of a firm do not include making the best trade-off.

Chapter - Chapter 02 #38

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

39. Central to the concept of operations and supply chain strategy is the notion of operations focus and trade-offs.

TRUE

Central to the concept of operations and supply chain strategy is the notion of operations focus and trade-offs.

Chapter - Chapter 02 #39

Difficulty: Easy

Learning Objective: 02-03 Identify order winners and order qualifiers.

40. The process when a company seeks to match the benefits of a successful position while maintaining its existing position by adding new features, services, and technologies into its current portfolio is called flexibility.

FALSE

Straddling is a process when a company seeks to match the benefits of a successful position while maintaining its existing position by adding new features, services, and technologies into its current portfolio.

Chapter - Chapter 02 #40

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

41. The process when a company seeks to match the benefits of a successful position while maintaining its existing position by adding new features, services, and technologies into its current portfolio is called straddling.

TRUE

Straddling is a process when a company seeks to match the benefits of a successful position while maintaining its existing position by adding new features, services, and technologies into its current portfolio.

Chapter - Chapter 02 #41

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

42. Following a straddling strategy, firms can broaden their capabilities and effectively compete with more focused firms in markets requiring low cost for success.

FALSE

Straddling is a risky strategy that often results in failure. Straddling is a process when a company seeks to match the benefits of a successful position while maintaining its existing position by adding new features, services, and technologies into its current portfolio.

Chapter - Chapter 02 #42

Difficulty: Medium

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

43. An order winner is a criterion that differentiates the products or services of one firm from another.

TRUE

An order winner is a criterion that differentiates the products or services of one firm from those of another.

Chapter - Chapter 02 #43

Difficulty: Easy

Learning Objective: 02-03 Identify order winners and order qualifiers.

44. An order winner is a screening criterion that permits a firm's products to be considered as possible candidates for purchase.

FALSE

An order qualifier is a screening criterion that permits a firm's products to even be considered as possible candidates for purchase.

Chapter - Chapter 02 #44

Difficulty: Easy

Learning Objective: 02-03 Identify order winners and order qualifiers.

45. An order qualifier is a screening criterion that permits a firm's products to be considered as possible candidates for purchase.

TRUE

An order qualifier is a screening criterion that permits a firm's products to even be considered as possible candidates for purchase.

Chapter - Chapter 02 #45

Difficulty: Easy

Learning Objective: 02-03 Identify order winners and order qualifiers.

46. Being the low-cost producer in any market always guarantees profitability and success.

FALSE

Competition in this segment is fierce, and so is the failure rate.

Chapter - Chapter 02 #46

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

47. A company's ability to respond to increases and decreases in demand is not one of the competitive dimensions that form a company's competitive position.

FALSE

The ability to scale back, when demand decreases, is one of the competitive dimensions.

Chapter - Chapter 02 #47

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

48. An important element of competitiveness is a company's ability to quickly develop and offer new products and services to its customers.

TRUE

An important element of competitiveness is a company's ability to quickly develop and offer new products and services to its customers.

Chapter - Chapter 02 #48

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

49. Often special services are provided to augment the sales of manufactured products.

TRUE

Often, special services are provided to augment the sales of manufactured products. These special services include Technical Liaison and Support, meeting a launch date, after sale support, and other dimensions.

Chapter - Chapter 02 #49

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

50. The ability of a firm to support its product after the sale is not a competitive dimension that forms the competitive position of a firm.

FALSE

It is one of the special services supporting products.

Chapter - Chapter 02 #50

Difficulty: Easy

Learning Objective: 02-02 Classify the competitive dimensions of operations and supply chain strategy.

51. Order-winning criteria and order-qualifying criteria may change over time as marketing dimensions shift.

TRUE

Order-winning criteria and order-qualifying criteria may change over time as marketing dimensions shift.

Chapter - Chapter 02 #51
Difficulty: Easy

Learning Objective: 02-03 Identify order winners and order qualifiers.

52. Over time an order-winner can become an order-qualifier.

TRUE

Over time an order-winner can become an order-qualifier.

Chapter - Chapter 02 #52
Difficulty: Medium

Learning Objective: 02-03 Identify order winners and order qualifiers.

53. All of the activities that make up a firm's operation should be kept within operational silos to facilitate planning and efficiency.

FALSE

Operations strategy cannot be designed in a vacuum. It must be linked vertically to the customer and horizontally to other parts of the enterprise.

Chapter - Chapter 02 #53
Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

54. A company's strategic themes can be identified and implemented through individual departmental goals and strategies.

FALSE

In companies with a clear strategy, a number of higher-order strategic themes can be identified and implemented through clusters of tightly linked activities."

Chapter - Chapter 02 #54
Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

55. Operations strategy cannot be designed in a vacuum. It must be linked vertically to the customer and horizontally to other parts of the enterprise.

TRUE

Operations strategy cannot be designed in a vacuum. It must be linked vertically to the customer and horizontally to other parts of the enterprise.

Chapter - Chapter 02 #55
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

56. A business strategy should be developed first and then linked to corporate strategy.

FALSE

A successful strategy requires strong linkages that are horizontal, vertical, and across time. Thus the activities of the organization regardless of the function must dovetail with its corporate strategy.

Chapter - Chapter 02 #56
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

57. Identifying core competencies is a critical component of a company's business strategy.
TRUE

Identifying core competencies is a critical component of a company's business strategy.

Chapter - Chapter 02 #57
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

58. Once a company's business strategy is formed then order winning and order qualifying strategies can be developed.
TRUE

Once a company's business strategy is formed then order winning and order qualifying strategies can be developed.

Chapter - Chapter 02 #58
Difficulty: Medium

Learning Objective: 02-03 Identify order winners and order qualifiers.

59. Operational strategy decisions are used to form lower level business strategy decisions.
FALSE

Core capabilities (or competencies) are the distinctive skills or capabilities that the organization possesses. These often differentiate the service or manufacturing firm from its competitors and create a preference for its products in the marketplace. Strategy is often based on core capabilities.

Chapter - Chapter 02 #59
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

60. A company's core capabilities refer to the distinctive skills or capabilities that the organization possesses.
TRUE

Core capabilities (or competencies) are the distinctive skills or capabilities that the organization possesses. These often differentiate the service or manufacturing firm from its competitors and create a preference for its products in the marketplace. Strategy is often based on core capabilities.

Chapter - Chapter 02 #60
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

61. Identification of a firm's core capabilities does not factor into the development of operational or business strategies.
FALSE

Core capabilities (or competencies) are the distinctive skills or capabilities that the organization possesses. These often differentiate the service or manufacturing firm from its competitors and create a preference for its products in the marketplace. Strategy is often based on core capabilities.

Chapter - Chapter 02 #61
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

62. Operations activities must be linked to the other functions of the firm.
TRUE

Operations activities must be linked to the other functions of the firm.

Chapter - Chapter 02 #62
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

63. If an operational competitive priority is quality then human resources must be focused on the training and retention of skilled employees.
TRUE

Human resources must be focused on the training and retention of skilled employees if an operational competitive priority is quality.

Chapter - Chapter 02 #63
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

64. Quite often the best way to create a distinctive core competence is to tinker with the current system by introducing the latest technologies.
FALSE

While doing this might be exciting to managers and engineers working for the firm, they might not be creating a distinctive core competence—i.e., a competence that wins future customers. What companies need in this world of intense global competition is not more techniques but a way to structure a whole new product realization system differently and better than any competitor.

Chapter - Chapter 02 #64
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

65. The best way for an organization to create a distinctive core competence is to structure a whole new product realization system differently and better than any other competitor.
TRUE

The best way for an organization to create a distinctive core competence is to structure a whole new product realization system differently and better than any other competitor.

Chapter - Chapter 02 #65
Difficulty: Easy

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

66. The triple bottom line considers evaluating the firm against social, economic, and environmental criteria.
TRUE

The triple bottom line considers evaluating the firm against social, economic, and environmental criteria.

Chapter - Chapter 02 #66
Difficulty: Easy

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

67. Sustainability means meeting a firm's current needs without excessively compromising the ability of future generations to meet their own needs.

FALSE

By adding "sustainability" to the concept (of strategy), we add the requirement to meet these current needs without compromising the ability of future generations to meet their own needs. (Excessively is not mentioned.)

Chapter - Chapter 02 #67

Difficulty: Medium

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

68. The social impact of the triple bottom line concept pertains to fair and beneficial business practices toward labour, the community, and the region in which a firm conducts its business.

TRUE

"Social" pertains to fair and beneficial business practices toward labour, the community, and the region in which a firm conducts its business.

Chapter - Chapter 02 #68

Difficulty: Medium

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

69. A firm's business practices toward its' labourforce pertain mainly to the economic aspect of the triple bottom line concept.

FALSE

"Social" pertains to fair and beneficial business practices toward labour, the community, and the region in which a firm conducts its business.

Chapter - Chapter 02 #69

Difficulty: Medium

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

70. According to the economic aspect of the triple bottom line concept, the firm is required to compensate shareholders by paying dividends and growing the value of their common stock faster than their competitors.

FALSE

The firm is obligated to compensate shareholders who provide capital through stock purchases and other financial instruments via a competitive return on investment.

Chapter - Chapter 02 #70

Difficulty: Medium

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

71. Within a sustainability framework, the economic dimension of the triple bottom line concept goes beyond just profit for the firm and also provides lasting economic benefit to society.

TRUE

Within a sustainability framework, this (economic) dimension goes beyond just profit for the firm and also provides lasting economic benefit to society.

Chapter - Chapter 02 #71

Difficulty: Medium

Learning Objective: 02-01 List the parameters of a sustainable operations and supply chain strategy

72. Some aspects of corporate social responsibility such as ethical production are now becoming order qualifiers.

TRUE

Some aspects of corporate social responsibility such as ethical production are now becoming order qualifiers while some other aspects such as using hybrid vehicles are still order winners.

Chapter - Chapter 02 #72

Difficulty: Medium

Learning Objective: 02-03 Identify order winners and order qualifiers.

73. The activities at every level of the vertical supply chain have to be consistent with the overall strategy.

TRUE

Vertical Strategic Linkages: An organization may be just one link in a vertical supply chain that spans from a parent corporation all the way down to the organization's suppliers but the activities at every level of the chain has to be consistent with the overall strategy.

Chapter - Chapter 02 #73

Difficulty: Medium

Learning Objective: 02-04 Discuss how strategy is implemented through operations and supply chain activities.

74. Discuss the concept of "Straddling" and of how competing on multiple dimensions can result in either failure or success.

Straddling occurs when a company seeks to match the benefits of a successful position while maintaining its existing position. The text refers to Continental Airlines ill-fated attempt to compete with Southwest Airlines. Another analogy would be if Purolator decided to enter into the business of fuel distribution. Purolator would not survive if they approached the new business endeavour with the same corporate and operational supply strategy as they use in their current business operation. Purolator would promise overnight delivery of fuel to gas stations all across Canada, and deliver one litre at a time. If they adhered to their original operations strategy it would not take long before Purolator would be unable to compete in this position. If a company decides to "straddle" then they must align their corporate, business and operations and supply strategies to fit the new business position. Attempting to compete without developing new strategies will result in failure.

Chapter - Chapter 02 #74

75. Describe a specific example of the trade-offs between any two of the six major operational competitive dimensions.

This question requires that the student recall at least two of the six operational dimensions described under the heading ""Competitive Dimensions" of the text. In evaluating the student's response the instructor should take care that the student's arguments do, indeed illustrate a "trade-off" or a situation where an improvement in one dimension comes at the cost of a lessening of a different dimension. A fairly common example is between achieving low cost (or price) at the expense of quality. For this example it is necessary for the student to specify that they are talking about reducing design quality to achieve low cost (for example) instead of process quality where improvements typically result in lowered cost.

Chapter - Chapter 02 #75

76. Explain the role that "order qualifiers" and "order winners" play as the interface between marketing and operations.

The student's answer to this question should indicate the usefulness of articulating and differentiating between order winners and order qualifiers. In essence, these factors should indicate the essence of what is required to compete in the marketplace and the ways that the product or service, itself, differentiates itself from competing products and services. This topic is discussed in the text under the heading "Order Winners and Qualifiers: The Marketing-Operations Link." Some aspects of corporate social responsibility such as ethical production are now becoming order qualifiers while some other aspects such as using hybrid vehicles are still order winners.

Chapter - Chapter 02 #76

77. Explain how Environmentalism and Corporate Social Responsibility is emerging as a competitive dimension impacting on companies today.

The student's answer to this question should indicate that customers are more and more willing to pay for 'green' products and services. The student should give examples of companies that are competing with 'green' products or services and how it is a competitive dimension. Similarly, examples of CSR can be discussed, similarly to the textbook's discussions of Lululemon.

Chapter - Chapter 02 #77

78. Explain how the Assessment of risk associated with Operations and Supply Chain Strategies impacts an operation or supply chain, including a discussion of the four-step risk management process that can be applied to situations where disruptions are possible.

The student's answer should define that supply chain risk is the likelihood of a disruption that would impact the ability of the company to continuously supply products or services. Supply chain disruptions are unplanned and unanticipated events that disrupt the normal flow of goods and materials within a supply chain, which expose firms within the supply chain to operational and financial risks. Examples similar to the textbook can be given to demonstrate the possibility of risk and the extent of the damages. The student should also include the four steps of the risk management process and how a firm would use the process to mitigate potential risks to their supply chain.

Chapter - Chapter 02 #78

2 Summary

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