

Please answer all of the questions. For each question, circle the correct answer.
This quiz has 9 questions for a total of 100 points.

Name (English, Chinese, and Pinyin): _____

Note that this quiz was designed to be difficult. The goal was to give students a fair sampling of the kinds of questions that can be expected on the midterm exam. As with all grades in this class, the quiz will be graded on a curve.

1. (10 points) Suppose you work in a factory that produces glass bottles. Each day, an assembly line with 16 people working 10 hours each produces 4,000 bottles. The workers cost you ¥250 per day. Materials cost ¥1½ per bottle. Overhead, including administrative expenses, utilities, etc., costs ¥2000 per day. What is your labor productivity?
- (a) 0.33 bottles / ¥
 - (b) ¥3 / bottle
 - (c) 0.4 bottles / ¥
 - (d) ¥2.5 / bottle
 - (e) 25 bottles / person-hour
 - (f) 0.04 person-hours / bottle

The answer is (e). *Labor* productivity implies single-factor productivity. Labor productivity is typically measured in output per person or person-hour.

2. (10 points) Nobel prize-winning economist Joseph Stiglitz recently visited Kunming. In his book, Globalization and its Discontents, he said that globalization is the closer integration of countries and peoples of the world brought about by all of the following *except*
- (a) Reduction of costs in transportation and communication
 - (b) The breaking down of artificial barriers to the flow of goods, services, capital, knowledge, and people across borders
 - (c) The political will of leading nations of both the developed and developing world
 - (d) Stiglitz said that globalization is brought about by *all* of the above

The answer is (c).

3. (10 points) Suppose an American investment company purchases a 15% equity stake in a Chinese paper recycling company by buying its stock on the stock market. Does that count as foreign direct investment?
- (a) Yes
 - (b) No
 - (c) Maybe ... it depends on whether the 15% represents a controlling interest

The answer is (b). So-called “hot money,” or investments in the stock market, is not included in FDI because it is considered a liquid investment.

4. (10 points) Which of the following is *not* one of the four primary functions of the management process?

- (a) Planning
- (b) Organizing
- (c) Financing
- (d) Staffing
- (e) Controlling

The answer is (c).

5. (10 points) What is Just-in-Time (JIT)?

- (a) An inventory strategy designed to improve return on investment of a business
- (b) A staffing strategy designed to reduce long-term labor costs by making greater use of temporary employees
- (c) A Japanese fast-food restaurant chain
- (d) A management strategy designed to minimize production times and maximize output

The answer is (a).

6. (10 points) Who is referred to as the “father of scientific management?”

- (a) Eli Whitney
- (b) Frederick W. Taylor
- (c) Henry Ford
- (d) David Ricardo

The answer is (b). Taylor believed that management is responsible for matching the person to the job, providing proper training, work methods, and tools, and establishing incentives for work to be accomplished.

7. (10 points) Exogenous factors are considered one of the problems with measuring productivity. What are exogeneous factors?

- (a) Factors outside the control of the operations manager
- (b) Factors of production supplied by other firms
- (c) Factors that the operations manager did not consider when planning operations strategy

The answer is (a).

8. (10 points) What are activity maps?

- (a) A map which gives managers a way to visualize project scheduling components and associated resources
- (b) A map which gives managers a way to visualize supplier activities and supply chain management issues
- (c) A map which gives managers a way to visualize critical success factors and supporting activities
- (d) A map which gives managers a way to visualize computer networks

The answer is (c). This question was a “curveball” as we had not discussed activity maps in class. However, activity maps figured prominently in the handout with the company profile of Boeing on the front. The question was posed to see how many students review the handouts in addition to the lecture notes.

9. (20 points) Modern operations managers are faced with not only with minimizing costs and maximizing profits, but with the role of their business in the context of society. What are some issues regarding social responsibility that face modern project managers?

These challenges include such issues as

- Maintaining a clean environment,
- Keeping the workplace safe,
- General ethical behavior concerning issues such as child labor and corruption.

These demands come not only from the managers personal ethic, but from customers, government agencies, watchdog groups such as NGOs, and other stakeholders.

Credit is given for the issues discussed in class or any other *relevant* and *appropriate* issues concerning social responsibility in the workplace that a student may identify.

Answer Key

Question	Points	Answer
1	10	
2	10	
3	10	
4	10	
5	10	
6	10	
7	10	
8	10	
9	20	
Total:	100	