**OM 302 F22**

**Quiz 3 Notes**

**Notes (Primarily based on the PowerPoint Presentations)**

**11/12/22**

**1. The NWC rule does not require that:**

* total demand is always equal to total supply or
* total demand is never equal to total supply

**2. The function of a Transshipment point is:**

* to receive shipments of items from sources, sort them, and then ship these items to destinations.

**3. The "Cross-docking" technique is:**

* a transshipment technique used to sort merchandise before re-shipment to destinations.

**4. In a network, the shortest path is:**

* the shortest path through the network between two nodes. It is just one of the possible solutions.

**5. The "Minimal Spanning Tree" is a technique:**

* that connects all of the nodes of the network while minimizing total distance.

**6. A "Travelling Salesman" technique is:**

* a transportation problem where the start and the end point are the same.

**7. Factors affecting location decisions may include:**

* labor availability
* 0perating costs
* political and economic risk
* social and cultural aspects

**8. The "Competitiveness Index" is:**

* an aggregate index designed to rank countries based on factors related to ease of doing business.

**9. Labor Productivity:**

* is one of the key determinants of where a production plant should be located.

**10. Transparency International:**

* ranks countries based on the degree of corruption in their political and economic spheres.

**11. Political Risk is:**

* always considered before making any international investments.

**12. Industry Clustering is:**

* geographic locations where industry specific ecosystems and supply chains gravitate to

**13. The "Factor Rating" method is:**

* an approach for selecting a location by combining a diverse set of factors
* one of the site selection techniques used by Hard Rock Café

**14. A Location break-even analysis:**

* may provide different answers depending on the volume of production.

**15. The "Center of Gravity" method is:**

* a technique for locating a single facility that considers; the location of existing facilities, the distance between them, and the volumes of goods to be shipped to each facility.

**16. The "Load-Distance" method is:**

* a method of selecting the best possible location from amongst all other available location options

**17. GIS software is:**

* used to pinpoint optimum locations for an activity

**18. The Dell's production system uses:**

* the JIT production process.

**19. Hard Rock Cafe's location selection is based on:**

* a portfolio of qualitative and quantitative selection criteria

**20. The "Bullwhip" effect is:**

* an effect of the change in demand on the downstream supply chain

**21. In most organizations, the Vendor selection process is:**

* not always fair to other vendors, not always objective, not always driven be the lowest costs or best offer
* projects or sales contracts are often driven by the social and political considerations

**22. Ethical concerns related to outsourcing and offshoring should be:**

* always considered

**23. Successful supply chains are built on:**

* "Win-Win" (cooperation) principles.

**24. Project Management may be defined as:**

* planning, directing, and controlling resources (people, equipment, material) to meet the technical, cost, and time constraints of the project.

**25. The "Critical Path" is:**

* the path that consists of steps with zero slack time.

**26. The "Work Breakdown Structure" is:**

* a hierarchical listing of what must be (activities) done during a project.

**27. A Predecessor can be defined as:**

* an activity that has to be completed immediately before the next activity can start.

**28. The "PERT" chart is:**

* the acronym translates to: Program Evaluation and Review Technique
* graphical display of project activities
* an estimate of how long the project will take
* an indication of which activity are the most critical to timely project completion
* an indication of how long any activity can be delayed without delaying the project
* it is probabilistic project management tool

**29. The "Activity Expected Completion Time" is:**

* an expected duration of each activity included in the Work Breakdown Structure (WBS)

**30. To be successful, a project manager must:**

* bear the ultimate responsibility for the success or failure of the project
* be capable of working through others to accomplish the objectives of the project
* effectively manage each of the following:
  + the work itself
  + the human resources of the project
  + communications
  + quality
  + time
  + costs

**31. Vendor Analysis:**

* evaluating the sources of supply in terms of price, quality, reputation, and services

**32.Event Response Capability:**

* the ability to detect and respond to unplanned events

**33. Purchasing Cycle:**

* series of steps that begin with a request for a purchase order and end with an order being successfully completed

**34. Vendor Resiliency:**

* many regulations and contracts document the need for vendor resilience
* the need for an organization to ensure the vendors provide for continuation of the business function in the event of problems affecting their operations, including degradations or interruptions resulting from natural disasters, human error, or intentional

**35. Inventory Velocity:**

* the speed at which goods move through a supply chain

**36. Supply Logistics:**

* the movement of materials, services, funds, and information in a supply chain

**37. Gantt Chart is:**

* a deterministic project management tool
* it is simpler to use
* does not show the relationship between different activities

**38. The Project Variance is:**

* the sum of variances of individual variances that are on the critical path

**39. The Project Standard Deviation is:**

* the positive square root of the project variance

**40. The Expected Completion Time formula is:**

* (a+4m+b)/6
* where: a=the optimistic completion time, b = the pessimistic completion time, m = the most likely completion time