



# THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

## OPERATIONS MANAGEMENT AND STRATEGIC MANAGEMENT (PAPER - 9) MCQ BANK

SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
1	OM deals with -	both tangible and intangible product	tangible product	intangible services	tangible product and intangible services
2	One of the example of pure service :	teaching	product service	repairing service	All of the above
3	Objectives of operations management can be categorized into :	two	three	four	seven
4	One of the objective of operation management is	product service	Customer service	planning	None of them
5	Principal function of customer service are	manufacture-supply-transport-service	manufacture-transport-service-supply	manufacture- service-transport- supply	manufacture-transport-supply-service
6	The desired objective of Production and Operations Management is:	Use cheap machinery to produce	To train unskilled workers to manufacture goods perfectly	Optimal utilisation of available resources	To earn good profits.
7	Which one of the following is not an activity under productions and operations management?	Location of facilities	Plant layouts and Material Handling;	Product Design;	Market penetration;
8	Operations management is concerned essentially with the utilization of resources. Utilisation of resources means	Obtaining maximum effect from resources	Minimising loss of resources,	Minimising underutilisation or waste of resources	All the above
9	Which one of the following is not an objective of Operations Management?	To satisfy customers by providing right thing at the right place at the right time	To satisfy customers by providing right thing at the right price at the right time	To satisfy customers by providing right thing at the right price at right quality	To satisfy customers by providing right thing with right design with desired features
10	Productions and Operations Management distinguishes itself from other functions such as personnel, marketing, finance, etc. mainly by its primary concern:	Conversion by using intellectual properties of a concern;	Conversion by using physical resources	Conversion by using services provided by other functions	Conversion by using machineries
11	Four dimensions of competitiveness that measure the effectiveness of the operations function are	Cost, Quality, Dependability as a supplier, Flexibility	Price, worth, Dependability as a supplier, Productivity	Quantity, Quality, Price, Worth	Cost, Quality, Quantity, Price
12	Generally the size of the order for production in Job production is:	Small	Large	Medium	Very large



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13	The desired objective of Production and Operations Management is:	Use cheap machinery to produce	To train unskilled workers to manufacture goods perfectly	Optimal utilisation of available resources	To earn good profits.
14	To decide work load for men and machines:	Medium range forecasting is used	Short term forecasting is used	Long range forecasting is used	A combination of long range and medium range forecasting is used.
15	The act of assessing the future and make provisions for it is known as	Planning	Forecasting	Assessment	Scheduling
16	The time horizon selected for forecasting depends on:	The salability of the product	The selling capacity of Salesman	Purpose for which forecast is made	Time required for production cycle
17	Important factor in forecasting production is:	Environmental changes	Available capacity of machines	Disposable income of the consumer	Changes in the preference of the consumer.
18	Application of technology or process to the raw material to add use value is known as:	Product	Production	Application of technology	Combination of technology and process.
19	In Production by disintegration the material undergoes:	Change in economic value only	Change in physical and chemical characteristics	Change in technology only	None of the above
20	Use of any process or procedure designed to transform a set of input elements into a set of output elements is known as:	Transformation process	Transformation of input to output	Production	Technology change.
21	Conversion of inputs into outputs is known as:	Application of technology	Operations management	Manufacturing products	Product.
22	Which one of the following is the external factor impacting effective capacity?	Product standards	Scheduling	Motivation	Product mix
23	Increasing capacity utilisation depends on	Ability to increase design capacity	Ability to increase effective capacity	Ability to increase capacity chunk	Ability to increase resource endowments



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24	Which one of the following is not within the purview of Long Range planning?	Building a new facility	Expanding the existing facility	Moving to a new facility due to forecasted changes in demand	Preparation of overtime budget for workforce
25	The basic difference between slack and float time is that	A slack is used with reference to events whereas float is used with reference to activities	A float is used with reference to events whereas slack is used with reference to activities	A slack is used with reference to critical path whereas float is used with reference to non-critical paths	A slack is used with reference to scheduling whereas float is used with reference to crashing
26	Which one of the following is not a factor in determining Economic Lot Size for manufacturing?	Production Schedule	Usage rate	Manufacturing Cost	Cost of Deterioration
27	Which one of the following is not a factor in planning service capacity	Period of production	Need to be near customers	Inability to store services	Degree of volatility of demand
28	It is extra capacity used to offset demand uncertainty. This is	Capacity Cushion = Actual output - Demand	Capacity Cushion = Capacity – Expected demand	Capacity Tolerance = Effective capacity - Actual output	Capacity Cushion = Capacity – Effective Capacity
29	Which one of the following is correct?	Capacity decision does not affect product lead times	Capacity decisions must link backward & forward channels in the whole operation chain	Expansionist strategy does not help a firm to reduce its costs and compete on price	Wait & see strategy improves market share over the long run
30	Leading capacity strategy	Builds capacity in anticipation of increasing future demand	Faces increasing demand with the undeutilised current capacity	Builds capacity in anticipation of increasing product varieties	Faces increasing consumption with unsold stock
31	Which one of the following does not reduce effective capacity?	Paperwork required by Government regulatory agencies	Pollution standard on products	Efficient distributors	Higher labour turnover
32	Which one of the following is an operational factor that determines effective capacity?	Product standards	Quality capabilities	Learning rates	Quality assurance
33	Which one of the following is not a factor impacting effective capacity?	The design of facilities	Product mix	Layout of the work space	Market share



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34	Benefits of high utilisation are realised only when	Effective capacity is fully achieved	There is high efficiency	Breakdown maintenances are minimum	There is demand for output
35	Key to improving capacity utilisation is	To increase effective capacity	To increase design capacity	To decrease effective capacity	To increase maintenance frequency of the capacity
36	Utilisation of an operation facility is measured by	$(\text{Effective Capacity})/(\text{Design Capacity}) * 100$	$(\text{Actual Output})/(\text{Design Capacity}) * 100$	$(\text{Actual output})/(\text{Effective Capacity}) * 100$	$(\text{Design Capacity})/(\text{Effective Capacity}) * 100$
37	Efficiency of an operation facility is measured by	$(\text{Effective Capacity})/(\text{Design Capacity}) * 100$	$(\text{Actual Output})/(\text{Design Capacity}) * 100$	$(\text{Actual output})/(\text{Effective Capacity}) * 100$	$(\text{Design Capacity})/(\text{Effective Capacity}) * 100$
38	Which one of the following questions are not answered by Capacity planning?	What kind of capacity is needed?	How much is needed to match demand?	When is it needed?	For whom it is needed?
39	Out of Balance Capacity occurs	When there is a gap between supply and demand	When there is a gap between long term supply and long term demand	When there is a gap between current and desired capacity	When there is a gap between actual supply and EOQ supply
40	The goal of capacity planning of an organisation is	To achieve a match between its long term supply capabilities and the actual level of long term demand	To achieve a level of operation so that supply failure could be maintained at $\leq 1\%$ of long term demand	To achieve a level of operation so that periodic mean operation remain within 95% of long term demand	To achieve a match between its long term supply capabilities and the predicted level of long term demand
41	Capacity refers to	An upper limit or ceiling on the load that an operating unit can handle	A range from a lower limit to an upper limit of load through which an operating unit could operate	A limit on the load that an operating unit could handle only with 5% deviation	An upper limit of load which an operating unit could break during emergency
42	This denotes the highest output established by the actual trial runs of the productive machines installed. This is	Design capacity	Rated capacity	Effective capacity	Licensed capacity



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43	Which one of the following is not a key question in Capacity planning?	What kind of capacity is needed?	What kind of facilities are needed?	How much capacity is needed to match demand?	When the capacity is it needed?
44	Capacity Utilisation is	The degree to which a resource such as equipment, space or the workforce is currently being used	The degree to which a resource such as equipment, space or the workforce is currently being held as reserve	The degree to which a resource such as equipment, space or the workforce is currently being used for achieving installed capacity	The degree to which a resource such as equipment, space or the workforce is currently being used for achieving optimisation
45	Actual Output cannot exceed effective capacity because of	Problems of scheduling & balancing operations	Rejection due to quality problems	Need for periodic maintenance of equipment	Changing product mix
46	Need for periodic maintenance of equipment always makes	Licensed capacity > Installed capacity	Installed capacity < Effective capacity	Design capacity > Effective capacity	Licensed capacity = Effective capacity
47	If design capacity is reduced by allowances such as personal time and maintenance, the resultant capacity is	Design capacity	Effective capacity	Installed capacity	Licensed capacity
48	This capacity is the maximum rate of output achieved under ideal conditions. This is	Design capacity	Effective capacity	Installed capacity	Licensed capacity
49	Which one of the following is an output measure of Capacity?	Total capacity of AKC Motors in India is 300000 machine hours in a year	Total Capacity of Z steel plant is 720000labour hours in a year	The Aluminum giant XYZ produces 30mt in a day	The oil conglomerate ABC has 80000gallon refinery size
50	Which one of the following is a feature of input measure of capacity?	It is less applicable when the amount of customization and variety in the product mix increases	It is used mainly in case of high volume processes such as car manufacturers	Capacity is usually expressed as number of workstations or number of workers	It is applicable when the firm provides a relatively small number of standardized services and products



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51	Which one of the following is not a feature of output measure of capacity?	It is applicable when the firm provides a relatively small number of standardized services and products	It is used mainly in case of high volume processes such as car manufacturers	It is generally used for low volume, flexible processes such as furniture maker	It is less applicable when the amount of customization and variety in the product mix increases
52	Which one of the following is a feature of wait and see strategy?	It facilitates a firm to compete on price;	It guards against inaccurate assumptions regarding competition	It might increase the firm's market share	It results economies of scale
53	Which one of the following is not a feature of expansionist strategy?	It involves large infrequent jumps in capacity	It minimizes the chance of sales lost to insufficient capacity	It stays ahead of demand	It lags behind demand
54	Large capacity cushions are common in industries in which	Demand is constant	Customer service is not a priority	Customer service is not a priority	Competition is sluggish
55	The capacity cushion is	The amount of installed capacity a process uses to handle sudden increase in demand	The amount of licensed capacity a process uses to handle sudden increase in demand	The amount of declared capacity a process uses to handle sudden increase in demand	The amount of reserve capacity a process uses to handle sudden increase in demand
56	Capacity decisions are strategic because	Capacity decisions affect financing costs	Capacity decisions can affect facility location	Capacity at appropriate level facilitates easier management of product life cycle	Capacity decisions can affect competitiveness
57	Capacity decisions often involve	Long term irrevocable commitment of resources	Short term irrevocable commitment of resources	Long term revocable commitment of resources	(b) & (c) above
58	Long-term capacity plans are concerned with	Overtime budgets	Investments in new facilities	Work force size	Inventories



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59	Capacity planning procedure does not involve which one of the following?	Assess company situation and environment to analyse historical demand	Translate future predictions of demand into physical capacity requirements	Determine economic effects of alternative plans	Selecting a capacity alternative most suited to achieve strategic mission of the firm.
60	Which one of the following is not affected by Capacity decisions?	Product lead times	Customer Responsiveness	Operating Costs	Resource optimisation
61	Capacity planning is a	Long term makeover decision that establishes a firm's overall level of resources	Long term realignment decision that establishes a firm's overall level of resources	Long term restructuring decision that establishes a firm's overall level of resources	Long term strategic decision that establishes a firm's overall level of resources
62	Which one of the following is the result of excess capacity?	Loss of customers	Restricts growth	Drain company's resources	All the above
63	Aggregate Resource Planning becomes a challenge when demand fluctuates over the planning horizon. Under this case which one of the following is correct?	Demand forecasts are converted to resource requirements	Producing at a constant rate and using inventory to absorb fluctuations in demand	Resources necessary to meet demand over the time horizon are acquired	Minor variations in demand are handled with overtime or under time
64	The four step systematic approach to plan for long term capacity decisions does not involve	Estimate future productivity requirement	Estimate future capacity requirements	Identify gaps by comparing requirements with available capacity	Develop alternative plans for reducing the gaps
65	In operation sequence if capacity of a facility is lower than the capacities of other facilities in the sequence it is	Unutilised operation	Flexible operation	Rigid operation	Bootleneck operation
66	Which one of the following is not an objective of MRP?	Inventory Reduction	Realistic delivery commitments	Reduction in the manufacturing and delivery lead times	Reasonable production schedule
67	Which one of the following is not a characteristics of Aggregate Planning?	Both output and sales should be expressed in a logical overall unit of measuring	Acceptable forecast for the period covering the whole planning horizon	A method of identification and fixing the relevant costs associated with the plant.	Availability of alternatives for meeting the objective of the organization



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68	Which one of the following is correct with respect to long range forecast?	It is used to determine budgetary control over expenses	It is used to determine dividend policy	It is used to plan for capacity adjustments	It is used to plan for material requirement
69	The card which is prepared by the dispatching department to book the labour involved in each operation is :	Labour card	Wage card	Credit card	Job card
70	One of the product examples for Line Layout is :	Repair Workshop	Welding shop	Engineering College	Cement
71	The following establishes time sequence of operations:	Routing	Sequencing	Scheduling	Dispatching
72	The act of going round the production shop to note down the progress of work and feedback the information is known as:	Follow up	Dispatching	Routing	Trip card
73	In aggregate planning one of the methods used to modification of supply is:	Advertising and sales promotion	Development of complimentary products	Backlogging	Hiring and lay off of employees depending on the situation.
74	In aggregate planning, one of the methods in modification of demand is:	Differential Pricing	Lay off of employees	Over time working	Sub-contracting.
75	One of the requirements of Aggregate Planning is:	Both output and sales should be expressed in a logical overall unit of measuring	Appropriate time period	List of all resources available	List of operations required.
76	The study of relationship between the load on hand and capacity of the work centers is known as:	Scheduling	Loading	Routing	Controlling.
77	Scheduling deals with:	Number of jobs to be done on a machine	Number of machine tools used to do a job	Different materials used in the product	Fixing up starting and finishing times of each operation in doing a job.
78	Scheduling shows:	Total cost of production	Total material cost	Which resource should do which job and when	The flow line of materials.
79	Final stage of production planning, where production activities are coordinated and projected on a time scale is known as:	Scheduling	Loading	Expediting	Routing.



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80	(Total station time/Cycle time × Number of work stations) × 100 is known as:	Line Efficiency	Line smoothness	Balance delay of line	Station efficiency.
81	In solving a problem on LOB, the number of workstations required is given by:	Cycle time/Total time	Cycle time/Element time	Total time/Element time	Total time/ Cycle time.
82	Number of product varieties that can be manufactured in Mass production is:	One only	Two only	Few varieties in large volumes	Large varieties in small volumes.
83	Generally in continuous production the production is carried out to:	Customer's order	Government orders only	For stock and supply	Few rich customers
84	Inventory cost per product in intermittent production is	Higher	Lowest	Medium	Abnormal.
85	The material handling cost per unit of product in Continuous production is:	Highest compared to other systems	Lower than other systems	Negligible	Cannot say.
86	Routing and Scheduling becomes relatively complicated in	Job production	Batch production	Flow production	Mass production
87	Number of product varieties that can be manufactured in Job production is:	Limited to one or two	Large varieties of products	One only	None of the above.
88	In general number of product varieties that can be manufactured in Flow production is:	One only	Ten to twenty varieties	Large varieties	Five only
89	Generally the size of the order for production in Job production is:	Small	Large	Medium	Very large
90	For a marketing manager, the sales forecast is:	Estimate of the amount of unit sales or a specified future period	Arranging the sales men to different segments of the market	To distribute the goods through transport to satisfy the market demand	To plan the sales methods.
91	The time horizon selected for forecasting depends on:	The salability of the product	The selling capacity of Salesman	Purpose for which forecast is made	Time required for production cycle.
92	Manufacturing system often produces:	Standardised products	Standardised products in large volumes	Substandard products in large volumes	Products and services in limited volume
93	Most suitable layout for Job production is:	Line layout	Matrix layout	Process layout	Product layout.
94	Most suitable layout for Continuous production is:	Line layout	Process Layout	Group technology	Matrix layout.
95	One of the product examples for Line layout is:	Repair workshop	Welding shop	Engineering College	Cement.



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96	One of the important basic objectives of Inventory management is:	To calculate EOQ for all materials in the organisation	To go in person to the market and purchase the materials	To employ the available capital efficiently so as to yield maximum results	Once materials are issued to the departments, personally check how they are used.
97	MRP stands for:	Material Requirement Planning	Material Reordering Planning	Material Requisition Procedure	Material Recording Procedure.
98	In route sheet or operation layout, one has to show:	A list of Materials to be used	A list of machine tools to be used	Every work center and the operation to be done at that work center	The cost of product.
99	In aggregate planning, one of the methods in modification of demand is:	Differential Pricing	Lay off of employees	Over time working	Sub contracting.
100	A steel plant has a design capacity of 50,000 tons of steel per day ,effective capacity of 40,0000 tons of steel per day and actual output of 36,0000 tons of steel per day. Compute the efficiency of the plant	90%	72%	80%	110%
101	A firm has four work centres A,B,C & D , in series with individual capacities in units per day shown in below : raw material A - 380 B - 360 C- 340 D - 400 ---- Actual output 300, what is the efficiency system	80.33%	77.66%	99%	88.23%
102	The monthly requirement of raw material for a company is 3000 units .The carrying cost is estimated to be 20% of the purchase price per unit ,in addition to rs 2 per unit.The purchase price of raw material is rs 20 per unit.The ordering cost is Rs 25 per order. You are required to find EOQ.	458 units	548 units	448 units	844 units
103	EOQ is 102 units ,maximum usage 200 units , maximum delivery period 8 weeks , minimum usage 50 units, minimum delevry period 6 weeks , calculate maximum level of stock	1502 units	1202 units	1402 units	1302 units



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104	M/s Kobo Bearing Ltd is committed to supply 24,000 bearings per annum to M/s Deluxe fans on a steady daily basis .It is estimated that it costs 10 paisa as inventory holding cost per bearing per month and that the setup cost per run of bearing manufacture is 324.What is the optimum run size for bearing manufacture ?	3600 units	1200 units	7200 units	8400 units
105	In general, medium range forecasting period will be approximately:	5 to 10 Years	2 to 3 days	3 to 6 months	10 to 20 years.
106	The range of Long range forecasting period may be approximately:	1 to 2 weeks	2 to 3 months	1 year	above 5 years.
107	To plan for future man power requirement:	Short term forecasting is used	Long range forecasting is used	Medium range forecasting is used	There is no need to use forecasting, as future is uncertain.
108	Long range forecasting is useful in:	Plan for Research and Development	To Schedule jobs in Job production	In purchasing the material to meet the present production demand	To assess manpower required in the coming month.
109	Medium range forecasting is useful in:	To assess the loading capacity of the machine	To purchase a materials for next month	To plan for- capacity adjustments	To decide whether to receive production orders or not.
110	Important factor in forecasting production is:	Environmental changes	Available capacity of machines	Disposable income of the consumer	Changes in the preference of the consumer.
111	To decide work load for men and machines:	Medium range forecasting is used	Short term forecasting is used	Long range forecasting is used	A combination of long range and medium range forecasting is used.
112	For production planning:	Shot term forecasting is useful	Medium term forecasting is useful	Long term forecasting is useful	Forecasting is not useful.
113	In general, medium range forecasting period will be approximately	5 to 10 Years	2 to 3 days	3 to 6 months	10 to 20 years



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114	Medium range forecasting is useful in:	To assess the loading capacity of the machine	To purchase a materials for next month	To plan for-capacity adjustments	To decide whether to receive production orders or not.
115	Monthly demand for a component is 1000 units. Setting-up cost per batch is ` 120. Cost of manufacture per unit is ` 20. Rate of interest may be considered at 10% p.a. Calculate the EBQ	1200 units	1400 units	1440 units	1000 units
116	Daily demand for a certain product is normally distributed with a mean of 60 and standard deviation of 7. The source of supply is reliable and maintain a constant lead time of six days. The cost of placing the order is ` 10 and annual holding costs are ` 0.50 per unit. There are no stock out costs, and unfilled orders are filled as soon as the order arrives. Assume sales occur over the entire 365 days of the year. Find the . Find the order quantity	336 units	936 units	633 inits	393 units
117	Consider the following item that is being managed using a fixed time period model with safety stock  Weekly demand (d) = 50 units Review cycle (T) = 3 weeks Safety stock (SS) = 30 units What are the average inventory turn for the item?	24.8 turns per year	84.2 turns per year	80 turns per year	None of the above.
118	Addition of value to raw materials through application of technology is :	Product	Production	Advancement	Transformation
119	Cost reduction can be achieved through	Work sampling	Value analysis	Quality assurance	Supply chain management.
120	Production control concerned with:	Passive assessment of plant performance	Strict control on labours	Good materials management	Good product design.
121	The starting point of Production cycle is:	Product design	Production Planning	Routing	Market research.
122	Variety reduction is generally known as:	Less varities	Simplification	Reduced varities	None of the above.



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123	Preferred numbers are used to:	To determine the number of varieties that are to be manufactured	To test the design of the product	To ascertain the quality level of the product	To evaluate the production cost.
124	There are _____ stages of Design thinking	5	3	4	2
125	Most suitable layout for Job production is	Line layout	Matrix layout	Process layout	Product layout
126	Most suitable layout for Continuous production is:	Line layout	Matrix layout	Process layout	Product layout
127	One of the product examples for Line layout is:	Repair workshop	Welding shop	Engineering College	Cement.
128	Generally in continuous production the production is carried out to:	Customer's order	Government orders only	For stock and supply	Few rich customers.
129	Inventory cost per product in intermittent production is:	Higher	Lowest	Medium	Abnormal.
130	The material handling cost per unit of product in Continuous production is:	Highest compared to other systems	Lower than other systems	Negligible	Cannot say.
131	Routing and Scheduling becomes relatively complicated in	Job production	Batch production	Flow production	Mass production.
132	The starting point of Production cycle is:	Product design	Production Planning	Routing	Market research.
133	In Process Planning we plan:	Different machines required	Different operations required	We plan the flow of material in each department	We design the product.
134	In Operation Planning	The planner plans each operation to be done at work centers and the sequence of operations	Decide the tools to be used to perform the operations	Decide the machine to be used to perform the operation	Decide the materials to be used to produce the product
135	One of the important production documents is:	Design sheet of the product	List of materials	Route card	Control chart.
136	The scope of Production Planning and Control is:	Limited to Production of products only	Limited to production of services only	Limited to production of services and products only	Unlimited, can be applied to any type of activity.
137	Which one of the following product is not suitable for flow shop scheduling?	Car	Petrol	Steel	Invitation Card



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138	Which one of the following is a Sequencing rule for single facility?	EVPI	DFA	MAD	LPT
139	The main question in an assignment problem is	How the assignments should be made in order that the total cost involved in activities is minimized	How the assignments should be made in order that the total resources involved in activities is optimised	How the assignments should be made in order that the total time involved in activities is minimized	How the assignments should be made in order that inter dependence among all activities is minimized
140	Linear Programming is a technique used for determining:	Production Programme	Plant Layout	Product Mix	Manufacturing sequence
141	In a linear programming model feasible solution is	The basic solution to the general L.P problem	Any solution that also satisfies the non-negative restrictions of the general L.P problem	A solution which optimize (maximize or minimize) the objective function of a general L.P problem	A basic solution to the system of equations if one or more of the basic variables become equal to zero
142	Which one of the following is not a limitation of linear programming model?	Model can be applied only in situations where objective functions can be expressed in terms of linear expressions	Model can be applied only when coefficients in the constraints equations must be completely known	Model can be applied only to all real world problems which are not complex in nature	Model cannot be applied to give a solution if management have conflicting multiple goals.
143	Which of the following is not a method for solving Assignment problem?	Complete Enumeration method	Hungarian method	Simplex method	Natural method
144	The objective of application of linear programming in industrial problems is	To determine a plan for production and procurement in the time period under consideration	To determine an optimal solution of the problem under the given constraints	To determine the cost effective solution of the problem under scarce resources	To determine a plan for time based solution to the problem for increasing productivity



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145	Simulation is the representation of a real life situation by different means. It is popular because---	It may be the only method available as it is difficult to observe the actual environment	It may not be possible to develop a mathematical model	Actual observation of a system may be too expensive or too disruptive	All the above
146	In sequencing it is the difference between the time remaining to due date and the remaining processing time. It is	STR	SOT	SPT	DDATE
147	Selection of plant location is influenced by few factors. Which one of the following is not a factor?	Existence of Complementary Industries	Availability of Labour	Civic Amenities for Workers	Government's EXIM Policy
148	In a queuing system, the speed with which service is provided can be expressed in either of two ways—	Service start time and Service finish time	Service rate and Service time	Arrival rate and Service rate	Service Inflow rate and Service outflow rate
149	Most suitable layout for continuous production is	Line layout	Process layout	Group technology	Matrix layout
150	The most powerful and popular method for solving linear programming problem is	Simplex method	Graphical method	Transportation method	Assignment method
151	$(\text{Total station time/cycle time} \times \text{Number of work stations}) \times 100$ is known as	Line efficiency	Line smoothness	Balance delay of line	Station efficiency
152	One of the important charts used in Programme control is:	Material chart	Gantt chart	Route chart	Inspection chart
153	Issuing necessary orders, and taking necessary steps to ensure that the time targets set in the schedules are effectively achieved is known as:	Routing	Dispatching	Scheduling	Inspection.
154	Linear Programming is a technique used for determining:	Production Programme	Plant Layout	Product Mix	Manufacturing sequence.
155	Arrangement of machines depending on sequence of operations happens in:	Process Layout	Product Layout	Hybrid Layout	Group Technology Layout.
156	Computers are used in Production control in this area:	Follow-up activity	To control labour	To disseminate information	Loading, Scheduling and Assignment works.
157	Z-chart can be used to show:	Process used in production	Quality level of the product	Both the plan and the performance, and deviation from the plan	To show cost structure of the product



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
158	'Z' chart is a chart used in:	Programme control	Job control	Cost control	Quality control.
159	One of the activities of expediting is:	To file the orders in sequence	To decide the sequence of operation	To record the actual production against the scheduled production	To examine the tools used in production
160	When work centers are used in optimal sequence to do the jobs, we can:	Minimise the set up time	Minimise operation time	Minimise the breakdown of machines	Minimise the utility of facility.
161	The way in which we can assess the efficiency of the production plant is by:	Efficient dispatching	By manufacturing a good product	By comparing the actual performance with targets specified in the specified programme	By efficient production planning.
162	One of the important charts used in Programme control is:	Material chart	Gantt chart	Route chart	Inspection chart
163	One of the important production documents is:	Design sheet of the product	List of materials	Route card	Control chart.
164	The first stage of Production control is:	Dispatching	Scheduling	Routing	Triggering of production operations and observing the progress and record the deviation
165	Production planning in the intermediate range of time is termed as:	Production planning	Long range production planning	Scheduling	Aggregate planning
166	One of the principles of Scheduling is:	Principle of optimal product design	Principle of selection of best material	Principle of optimal operation sequence	Principle of optimal cost.
167	One of the aims of loading is:	To finish the job as early as possible	To minimise the material utilisation	To improve the quality of product	To keep operator idle time, material waiting time and ancillary machine time at minimum.



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
168	The cycle time in selected in balancing a line must be:	Must be greater than the smallest time element given in the problem	Must be less than the highest time element given in the problem	Must be slightly greater than the highest time element given in the problem	Left to the choice of the problem solver.
169	In solving a problem on LOB, the number of workstations required is given by:	Cycle time/Total time	Cycle time/Element time	Total time/Element time	Total time/ Cycle time.
170	Number of product varieties that can be manufactured in Job production is:	Limited to one or two	Large varieties of products	One only	None of the above.
171	For a marketing manager, the sales forecast is:	Estimate of the amount of unit sales or a specified future period	Arranging the sales men to different segments of the market	To distribute the goods through transport to satisfy the market demand	To plan the sales methods
172	For production planning:	Shot term forecasting is useful	Medium term forecasting is useful	Long term forecasting is useful	Forecasting is not useful.
173	Production planning deals with:	What production facilities is required and how these facilities should be laid out in space available	What to produce and when to produce and where to sell	What should be the demand for the product in future	What is the life of the product?
174	The first stage in production planning is:	Process Planning	Factory Planning	Operation Planning	Layout planning.
175	In Process Planning we plan:	Different machines required	Different operations required	We plan the flow of material in each department	We design the product.
176	Economies of scale occurs when	Single facility is used for multiple purposes	Production or operating costs increase linearly with output levels	Quantity discounts are not available for material purchases;	Operating efficiency increases as workers gain experience
177	The act of assessing the future and make provisions for it is known as	Planning	Forecasting	Assessment	Scheduling.



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
178	Application of technology or process to the raw material to add use value is known as:	Product	Production	Application of technology	Combination of technology and process.
179	In Production by disintegration the material undergoes:	Change in economic value only	Change in physical and chemical characteristics	Change in technology only	None of the above.
180	The scope of Production Planning and Control is:	Limited to Production of products only	Limited to production of services only	Limited to production of services and products only	Unlimited, can be applied to any type of activity.
181	In an organisation the production planning and control department comes under:	Planning department	Manufacturing department	Personal department	R & D department.
182	In Job production system, we need:	More unskilled labours	Skilled labours	Semi-skilled labours	Old people.
183	Wanda's Car Wash & dry is an automatic, five-minute operation with a single bay. On a typical Saturday morning, cars arrive at a mean rate of eight per hour, with arrivals tending to follow a Poisson distribution. Find The average time cars spend in line and service.	10 minutes	20 minutes	15 minutes	None of the above.
184	A departmental store has one cashier. During the rush hours, customers arrive at a rate of 20 per hour. The average number of customers that can be handled by the cashier is 24 per hour. Assume the conditions for use of the single – channel queuing model. Find out average customer spends in the system	10 customers	5 customers	15 customers	20 customers
185	As a tool service centre the arrival rate is two per hour and the service potential is three per hour. Simple queue conditions exist. The hourly wage paid to the attendant at the service centre is ₹1.50 per hour and the hourly cost of a machinist away from his work is ₹4. Calculate: The average time a machinist spends waiting for service.	0.777 hours	0.667 hours	0.600 hours	0.700 hours
186	Which one of the following is not a factor affecting productivity?	Product design	Material handling system	Inventory control	Master production schedule



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
187	Which one of the following is not correct?	Productivity can be improved by changing work methods	Productivity relates to a fixed set of tools or conditions	For countries, high productivity rates can reduce the risk of inflation	Productivity measures are used to judge the effective use of resources
188	Which one of the following is not a factor for determination of effective capacity?	Scheduling	Labour turnover	Union attitudes	EOQ
189	A device of expressing the ratio between outputs and the inputs of the resources in numerical terms is named	Productivity Index	Efficiency Index	Performance Index	Resource Index
190	In Production by service, the product undergoes the changes in:	Shape and size of the surface	Shape of the surface only	Size of the surface only	Chemical and Mechanical properties.
191	Use of any process or procedure designed to transform a set of input elements into a set of output elements is known as:	Transformation process	Transformation of input to output	Production	Technology change
192	Conversion of inputs into outputs is known as:	Application of technology	Operations management	Manufacturing products	Product
193	Most important benefit to the consumer from efficient production system is:	He can save money	He will have product of his choice easily available	He gets increased use value in the product	He can get the product on credit.
194	In Continuous manufacturing system, we need:	General purpose machines and Skilled labours	Special machine tools and highly skilled labours	Semi automatic machines and unskilled labours	General purpose machines and unskilled labours
195	The best way of improving the productivity of capital is:	Purchase automatic machines	Effective Labour control	To use good financial management	Productivity of capital is to be increased through effective materials management.
196	There are two industries A and B manufacturing hose couplings. The standard time per piece is 15 minutes. The output of two small scale industries is 30 and 20 respectively per shift of 8 hours. Find the productivity of each per shift of 8 hours.	15/16, 5/8	7/24 , 9/16	3/8 , 2/5	none of the above



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
197	Calculate the standard production per shift of 8 hours duration, with the following data: Observed time per unit = 5 minutes, Rating Factor -120%, Total allowances = 30% of normal time.	45.61 units	54.61 units	51.64 units	61.54 units
198	ISO 9004 only establishes guidelines	operation	design	quality	none of the above
199	for Quality Assurance in Design, Production, Installation and Servicing the _____ model is be used.	ISO 9002 Model	ISO 9001 Model	ISO 9003 Model	none of the above
200	for Quality Assurance in Production and Installation the _____ model is be used.	ISO 9002 Model	ISO 9001 Model	ISO 9003 Model	none of the above
201	for Quality Assurance in Final Inspection Test the _____ model is be used.	ISO 9002 Model	ISO 9001 Model	ISO 9003 Model	none of the above
202	A cement factory in Madhya Pradesh works 7 days a week in 3 shifts per days having maintenance in the first shift of around 2 hours. It has roughly 100 workers which produces only pozzolanic properties cement better known as PPC. The output per month is around 2500 tonnes of PPC. Find the productivity per worker?	20 tonnes	30 tonnes	25 tonnes	15 tonnes
203	The method used in scheduling a project is:	A schedule of breakdown of orders	Outline Master Programme	PERT & CPM	Schedule for large and integrated work
204	The difference between product system and project system is:	Project system the equipment and machinery are fixed where as in product system they are movable	In Product system the machinery and equipment are fixed and in project system they are not fixed	Project system produces only standardized products and product system produces only unstandardised products	Products cannot be stocked whereas projects can be stocked.
205	Fixing the flow lines of materials in production is known as:	Scheduling	Loading	Planning	Routing.
206	The activity of specifying when to start the job and when to end the job is known as:	Plaining	Scheduling	Timing	Follow-up.



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
207	A network :	Is a graphical representation of all the activities and events.	Is a graphical representation of all the activities	Is a graphical representation of all the events.	All the above
208	While evaluating existing or proposed service systems, operation manager	Relate to potential customer dissatisfaction and costs:	Relate cost of parallel facilities with single queue	Relate cost of multiple queues with cost of serve	Relate to potential customer satisfaction and service quality
209	Probabilistic time is divided into :	3	2	4	6
210	Gantt Chart is a principal tool used in	Scheduling	Loading	Planning	Routing.
211	The event from where more than one activity starts	Merge event	Burst Event	start event	event nodes
212	Free float means or is equal to	Total float - Slack time of the head event	Independent Float +Tail Slack	Independent Float - Head Slack	PERT
213	The critical path analysis is an important tool in production planning and _____	Loading	scheduling	Routing.	All the above
214	The method used in scheduling a project is:	A schedule of break-down of orders	Outline master programme	PERT & CPM	Schedule for large and integrated work
215	One of the important charts used in programme control is:	Material chart	Gantt chart	Route chart	Inspection chart
216	Final stage of production planning, where production activities are coordinated and projected on a time scale is known as:	Scheduling	Loading	Planning	Routing
217	One of the principles of Scheduling is:	Principle of optimal product design	Principle of selection of best material	Principle of optimal operation sequence	Principle of optimal cost.
218	Issuing necessary orders, and taking necessary steps to ensure that the time targets set in the schedules are effectively achieved is known as:	Routing	) Dispatching	Scheduling	Inspection.
219	Which one of the following statements is NOT correct?	LFT is calculated from the LFT of the head event.	Slack can be calculated by adding EFT and LFT of any job.	EFT is the sum of the EST and the time of duration for any event	The Total Project time is the shortest possible time required in completing the project.
220	Which one of the following establishes time sequence of operations?	) Routing	Sequencing	Scheduling	Dispatching



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
221	Issuing necessary orders, and taking necessary steps to ensure that the time targets set in the schedules are effectively achieved is known as:	Routing	Dispatching	Scheduling	Inspection.
222	Which one of the following is the benefit of keeping standby machines?	Utilisation of Additional space	Appropriate investment of additional capital	Availability of Additional Depreciation	Protection against a complete shutdown
223	Preventive maintenance is useful in reducing	Inspection Cost	Shutdown Cost	Cost of pre- mature replacement	Set-up cost of machine
224	Two important functions that are to be done by Production department are:	Forecasting	Costing	Scheduling and loading	Inspecting.
225	When work centers are used in optimal sequence to do the jobs, we can:	Minimise the set up time	Minimise operation time	Minimise the break down of machines	Minimise the utility of facility.
226	Preventive maintenance policy is justified only when	The average downtime and its cost is equal to the average time taken to carry out breakdown repairs	The average downtime and its cost is greater than the average time taken to carry out breakdown repairs	The average downtime and its cost is less than the average time taken to carry out breakdown repairs	The average downtime t is less than the average time taken to carry out breakdown repairs
227	Which one of the following is not correct?	Preventive maintenance reduces breakdowns and downtime	Preventive maintenance increases number of large scale repairs	Preventive maintenance Lower unit cost of the product manufactured,	Preventive maintenance improves industrial relations
228	Production department or maintenance department depending on the size of the plant generally takes up	preventive maintenance work.	capacity planning	project maintenance	all of them
229	The main problem in maintenance analysis is to_____ the overall cost of maintenance without sacrificing the objectives.	Stable	plan	minimise	replace
230	In some cases the_____ and inconvenience due to breakdown of equipment is so high that standby equipment is kept.	cost	loss	time	intervals
231	_____ while the equipment is running or during pre-planned shut-downs.	Routine maintenance	preventive maintenance	replacement	break down maintenance
232	The organizational structure should be	systematic	well maintained	flexible.	all of them



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
233	Which one of the following is NOT the advantage of Preventive Maintenance?	Better product quality	Greater safety to workers	Increased breakdowns and downtime	Fewer large-scale repairs
234	Identify which one of the following is NOT the objective of the maintenance:	To keep all production facilities and allied facilities in an optimum working condition.	To ensure specified accuracy to products and time schedule of delivery to customers	To keep the down time of the machine at the maximum.	) To keep the production cycle within the stipulated range.
235	. One of the objectives of maintenance is:	to prevent obsolescence	to ensure spare parts management.	to satisfy customers.	to extend the useful life of Plant & Machinery without sacrificing the level of performance
236	The monitoring, evaluating and disseminating of information from the external and internal environments to key people within the organisation is called	Strategy Formulation	Evaluation and control	Strategy Implementation	Environmental scanning
237	The ____ of a company state how managers and employees should conduct themselves.	values	goals	objectives	vision
238	_____ are the day-to-day way in which an organisation operates and can be seen by people both inside and outside the organisation.	Performances	Targets	Behaviours	Values
239	Which among the following provide the standards for performance appraisal?	Mission	Vision	Values	Objectives
240	_____ is concerned with complexity arising out of ambiguous and non-routine situations with organisation wide rather than operation-specific implications.	Operational management	Business level strategy	Strategic Management	Functional level strategy
241	_____ refer to the job-specific goals of each individual employee.	Balanced Score Card	Performance objectives	Personal objectives	Organisational genomics
242	The balanced score card is a ____ approach to performance management	top-down	bottom up	indirect	direct
243	This ____ provides the broad 'data' from which to identify key drivers of change.	SWOT analysis	BCG matrix	PESTEL analysis	Critical Success Factors
244	Environment is _____ .	complex	dynamic	Multi-faceted	All of the above



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
245	_____ are the growth rate of the economy, interest rates, currency exchange rates, and inflation (or deflation) rates.	Macro-economic forces	Demographic forces	Technological forces	Political forces
246	_____ are outcomes of changes in the characteristics of a population	Macro-economic forces	Demographic forces	Technological forces	Political forces
247	What describes the categories of activities within and around an organisation, which together create a product or service?	SWOT analysis	BCG framework	Value Chain	Brain storming
248	_____ transform these inputs into the final product or service.	Operations	Inbound logistics	Outbound logistics	Service
249	_____ includes those activities that enhance or maintain the value of product or service, such as installation, repair, training and spares.	Operations	Inbound logistics	Outbound logistics	Service
250	_____ are companies that are not currently competing in an industry, but have the capability to do so if they choose.	Established companies	Potential competitors	Rivals	Competitors
251	Absolute cost advantages arise from	superior production operations and processes	control of particular inputs required for production	access to cheaper funds	all of the above
252	A _____ is a combination of structures which could take the form of product and geographical divisions or functional and divisional structures operating in tandem.	Functional structure	Matrix Structure	Project based structure	Transnational structure
253	A _____ combines the local responsiveness of the international subsidiary with the coordination advantages found in global product companies.	Functional structure	Matrix Structure	Project based structure	Transnational structure
254	Which among the following is true?	BPR has resulted in major gains in efficiency.	BPR has resulted in major gains in speed	BPR has resulted in major gains in quality.	BPR has resulted in major gains in efficiency, quality and speed.
255	A _____ is one where teams are created, undertake the work and are then dissolved.	Functional structure	Matrix Structure	Project based structure	Transnational structure
256	_____ specifies what is to be accomplished by focusing on the end result.	Output control	Behaviour control	Premise control	Implementation control



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
257	_____ is control achieved through the establishment of a comprehensive system of rules and procedures to direct the actions of divisions, functions, and individuals.	Output control	Behaviour control	Premise control	Implementation control
258	_____ checks systemically and continuously whether the assumptions on which the strategy is based are still valid.	Output control	Behaviour control	Premise control	Implementation control
259	A _____ is based on the primary activities that have to be undertaken by an organisation	Functional structure	Matrix Structure	Project based structure	Transnational structure
260	This test is a catch-all category, indicating that the structure must fit legal, stakeholder, trade union or similar constraints.	The Feasibility Test	The People Test	The Parenting Advantage Test	The Specialised Cultures Test
261	In a fast-moving world, an important test to determine the extent to which a design will allow for change in the future is called?	The Feasibility Test	The Flexibility Test	The Parenting Advantage Test	The Specialised Cultures Test
262	Digital transformation drives change in	customer experience	operational processes	business models	all of the above
263	The process of digital transformation requires coordination across the entire organization, and involves business culture changes.	digital strategy	digitisation	digital transformation	data aggregation
264	Categorising and organising the digitised data and making it ready for application of further processes is called _____ .	Data aggregation	Data management	Workflow automation	Process component
265	Which among the following is not a characteristic of Big Data?	Variety	Volume	Velocity	Invariability
266	Data that can be stored, accessed and processed in the form of fixed format is called _____ .	unstructured data	semi-structured data	structured data	flexible data
267	Which among the following is not a component of a block chain?	Distributed ledger technology	Immutable record	Smart contracts	Increased threat
268	Which among the following alternatives is not suited for Robotic process automation tools?	Repeatable	Predictable interactions with IT applications	Routine	Unpredictable events
269	_____ is similar to referral programs.	Influencer Marketing	Affiliate marketing	Social Media Marketing Platforms	Content marketing



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
270	_____ is a form of paid advertising that allows marketing teams to essentially purchase traffic to their website.	Influencer Marketing	Affiliate marketing	Pay-per-click	Content marketing
271	Forecasting the weather is an example of	Narrow AI	General AI/human-level	Super AI	Deep- learning
272	JIT stands for:	Just in purchase	Just in production	Just in time use of material	Just in time order the material
273	Example of production by disintegration is:	Crude oil	Mineral water	Automobile	Locomotive
274	The act of assessing the future and make the provision for the act is known as:	Forecasting	Assessment	Scheduling	Planning
275	The quantities for which the planner has to prepare production plan are known as	Optimal quantity of products	planning quantity standards	Quantity planning	Material planning
276	PERT is _____ oriented technique:	Event oriented technique	Activity oriented technique	Both (1) & (2)	None
277	Operations Management is primarily deals with:	Recruitment and training of employees	Conversion of inputs into outputs using physical resources	Financial planning and budgeting	Market research and promotion
278	What is the main objectives of Operations Management include:	Effectiveness, efficiency, and adaptability	Profitability, liquidity, and solvency	Motivation, leadership, and teamwork	Planning, staffing, and directing
279	Under Production and Operations Management which of the following is not an activity ?	Product Design	Financial Accounting	Quality Control	Maintenance Management
280	The term “Disappearance of Smokestacks” refers to:	Decline of heavy industries	Transformation of factories into environmentally friendly, knowledge-based systems	Ban on factory pollution	Movement of factories to rural areas
281	The idea that “Small is Beautiful” was given by:	Peter Drucker	E.F. Schumacher	Henry Fayol	Elton Mayo
282	The utilisation rate helps management to determine:	Product quality	Need for adding or reducing capacity	Labour efficiency	Machine downtime
283	Facility Layout is also known as:	Plant Location	Plant Layout	Facility Design	Work Centre Management
284	Process Layout is also known as:	Functional Layout	Product Layout	Fixed Position Layout	Combination Layout
285	The main advantage of process layout is:	High volume production	Low material handling cost	Flexibility in operation	High specialization for one product
286	Material Requirement Planning (MRP) is mainly used for planning the production of:	Services	Finished goods only	Raw materials only	Assembled products



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287	The main purpose of MRP is to:	Minimize labour cost	Ensure that materials are available when needed	Increase advertising efficiency	Maintain maximum stock at all times
288	Which among the following is an advantage of an efficient production and inventory management system?	Increased idle time and higher inventory levels	Reduced inventory, reduced idle time, and reduced setup time	Inability to adjust the master production schedule	Higher sales prices and slower response to market demands
289	The Economic Lot Size or Economic Order Quantity or Economic Batch Quantity is defined as:	The quantity of output produced in one batch that maximizes production rate	The maximum quantity that can be stored in the warehouse	The quantity of output produced in one batch that is most economical, resulting in the lowest average cost of production	The quantity of output produced to meet immediate demand only
290	M/s Kobo Bearings Ltd., is committed to supply 24,000 bearings per annum to M/s Deluxe Fans on a steady daily basis. It is estimated that it costs 10 paise as inventory holding cost per bearing per month and that the setup cost per run of bearing manufacture is ₹324. What is the optimum run size for bearing manufacture?	3600	2400	2600	3700
291	Find the economic order quantity and the reorder point, given Annual demand (D) = 1000 units Average daily demand (d) = 1000/365 Ordering Cost (S) = ₹5 per order Holding cost(H) = ₹1.25 per unit per year. Lead time (L) = 5 days Cost per unit (C) = ₹ 12.50 What quantity should be ordered?	3612	2812	2612	4888
292	A good product design helps an organization to:	Reduce product features	Increase production lead time	Stay ahead of competition and sustain in a VUCA world	Avoid product diversification
293	The Growth phase of the Product Life Cycle is characterized by:	Decline in market share and profits	Rapid increase in sales and market expansion	Withdrawal of the product from the market	Lack of promotional activity
294	The Decline phase of the Product Life Cycle is characterized by:	Increasing sales and market share	Higher profitability and expansion	Falling sales and narrowing profit margins	Introduction of new product variants
295	Which among the following order represents the correct stages of the Product Life Cycle ?	Growth → Introduction → Maturity → Decline	Introduction → Growth → Maturity → Decline	Maturity → Growth → Introduction → Decline	Introduction → Maturity → Growth → Decline



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
296	The main objective of an assignment problem is to:	Increase production regardless of cost	Assign workers randomly to jobs	Maximize the number of workers employed	Minimize total cost or time of performing all jobs
297	Which of the following is not a method for solving an assignment problem?	Complete Enumeration Method	Simplex Method	Regression Method	Transportation Method
298	Wanda's Car Wash & dry is an automatic, five-minute operation with a single bay. On a typical Saturday morning, cars arrive at a mean rate of eight per hour, with arrivals tending to follow a Poisson distribution. Find the average number of cars in line.	0.667 Car	0.167 Car	10 minutes	20 minutes
299	Monte Carlo simulation is mainly used in for:	Static systems only	Systems without uncertainty	Random or stochastic systems	Deterministic systems
300	The important requirements of Monte Carlo simulation are:	Hardware optimization	Real-life experimentation	Model of the system and random number generator	Linear equations and constraints
301	Simulation is most useful method when:	Data is always deterministic	Optimization techniques are sufficient	The system is simple and can be solved mathematically	The system is complex and difficult to analyze mathematically
302	In which company Lean operation has its roots?	General Motors, USA	Honda Motors, Japan	Toyota Automobile Co., Japan	Ford Motors, USA
303	Which of the following is not an objective of JIT manufacturing?	Produce only what customers want	Produce products with perfect quality	Produce with zero waste	Produce products before demand arises
304	Continuous improvement in JIT means:	Focusing on short-term gains	Relying on external audits only	Once problems are solved, no further action is needed	Correcting existing problems and identifying new ones continuously
305	A factory has 13 workers producing a single product. The total output in a month of 24 working days is 370 units. What is the monthly productivity per worker?	30	28.46	15.42	20
306	Productivity is commonly defined as:	Output plus capital	Input multiplied by time	Ratio between the output volume and the volume of inputs	Output minus input
307	Which of the following is not a method to measure employee productivity?	Measure the amount of work completed	Measure quality of work	Measure goals	Measure employee happiness
308	Natural factors influencing productivity include:	Industrial policy	Product design	Climatic and geological conditions	Labour laws



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SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
309	Social factors affecting productivity refer to:	Credit facilities	Market demand	Culture, customs, and traditions of society	Machine maintenance and downtime
310	Continuous improvement in TQM is also known as:	Six Sigma	Benchmarking	KAIZEN	JIT
311	Total Quality Management encourages:	Individual work only	Ignoring process improvements	Teamwork, cooperation, and employee involvement	Short-term results over long-term quality
312	Which of the following is not a principle of TQM?	Quality is achieved through random inspection	Continuous improvement (Kaizen)	Worker involvement is essential	Strive for quality in all things
313	Slack signifies:	The total float of the project	The total duration of the project	The freedom available to reschedule or start a job	The difference between EST and EFT
314	For a job, slack time is calculated as:	LFT + EFT	EFT – LFT	LFT – EFT	EST – LST
315	A job with zero slack is called:	Critical job	Non-critical job	Independent job	Slack job
316	EFT (Earliest Finish Time) is calculated as:	Earliest Start Time + Duration of activity	Latest Start Time + Duration	Latest Finish Time – Duration	Earliest Start Time – Duration
317	Floats represent:	Difference between EFT and LFT	Difference between maximum time available and actual time required to complete an activity	Difference between EST and LST	Total duration of the project
318	Formula for Total Float (TF) is:	TF = (EFT of tail event – LST of head event) – Duration	TF = (EST of tail event – EFT of head event) – Duration	TF = (LFT of head event – EST of tail event) – Duration	TF = (LFT of head event – EST of tail event) + Duration
319	A project activity has an EFT = 12 days, LFT = 20 days. What is its slack time?	8 days	27 days	0 days	12 days
320	A negative total float indicates that:	The activity has excess resources	The activity can be delayed without affecting the project	Resources are not adequate and the activity cannot finish on time	The project is ahead of schedule
321	Free Float is a part of:	Slack time	Total Float	Dummy activity	Independent Float
322	Independent Float can be calculated as:	Total Float + Slack Time of tail event	Total Float – Head Slack	Free Float – Tail Slack	Free Float + Tail Slack



# THE INSTITUTE OF COST ACCOUNTANTS OF INDIA

## OPERATIONS MANAGEMENT AND STRATEGIC MANAGEMENT (PAPER - 9)

### MCQ BANK

SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
323	The main difference between slack and float is that:	Slack refers to activities, float refers to events	Both refer to events only	Both refer to activities only	Slack is used for events, float is used for activities
324	The time constraint in project management refers to:	The schedule for the project to reach completion	The total cost to complete a project	The number of team members working on the project	The availability of raw materials
325	Quality Improvement in project management refers to:	Increasing team size for faster execution	Minimizing scope to meet deadlines	Applying tools to close gaps between current and desired quality levels	Reducing cost of resources
326	A Gantt Chart is also known as a:	Network diagram	Line graph	Bar chart	Flow chart
327	A major advantage of the Gantt Chart is that it:	Shows detailed network relationships	Can easily incorporate changes in timing and machine loads	Eliminates the need for manpower planning	Eliminates the need for manpower planning
328	An event in a network refers to:	A job that consumes time and money	The use of physical resources	The start or completion of a job that consumes no resources	An interruption in the workflow
329	Network analysis provides a graphical representation of:	Profit and loss data	Material flow between departments	Only the critical activities	All activities and events in logical sequence
330	Which of the following is not an application of network analysis?	Aircraft manufacturing	Retail store management	Construction of residential complex	Satellite mission development
331	The type of maintenance in which machines are repaired only after breakdown is known as:	Scheduled maintenance	Predictive maintenance	Breakdown or repair maintenance	Preventive maintenance
332	Which of the following is an analytical measure used to evaluate preventive maintenance effectiveness?	Hours worked for maintenance / Scheduled hours × 100	Inspections incomplete / Inspections scheduled × 100	Frequency of breakdowns = Number of breakdowns / Available machine hours	All of the above
333	One of the key advantages of preventive maintenance is:	Increased work content of maintenance jobs	Reduced breakdowns and downtime	Reduced safety of workers	Increased downtime



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## OPERATIONS MANAGEMENT AND STRATEGIC MANAGEMENT (PAPER - 9) MCQ BANK

SL NO	QUESTIONS	OPTION 1	OPTION 2	OPTION 3	OPTION 4
334	What does running maintenance typically include?	Installation of new machinery	Only major repairs after equipment failure	Lubrication, cleaning, and periodic overhaul while the equipment is in operation or during preplanned shutdowns	Outsourcing all maintenance work
335	What are the two main causes for the replacement of machinery?	Wear and obsolescence	Technological improvement and breakdowns	Wear and depreciation	Maintenance and repair costs
336	One reason for replacing a machine before its expected life is:	To reduce factory space	To avoid preventive maintenance	To reduce running costs and increase productivity	To increase downtime
337	Which of the following is NOT a classification of spare parts?	Regular Spares	Insurance Spares	Capital Spares	Temporary Spares
338	What is the primary purpose of a vision statement in an organization?	To outline the company's current operations and processes.	To list the company's products and services.	To define the desired future state and aspirations of the organization.	To describe the company's financial goals.
339	What does the "F" in the FAST goal-setting framework stand for?	Financially viable	Fully achievable	Frequently discussed	Fully transparent
340	What does EVA stand for in financial performance metrics?	Equity Value Added	Earnings Value Added	Economic Value Added	Earnings Variance Analysis
341	The dynamic nature of the business environment requires businesses to:	Continuously adapt to changes and anticipate future trends	Maintain a static approach to operations	Ignore external changes and focus only on internal factors	Rely solely on historical data for decision-making
342	A company develops a new recycling process to reduce waste. Which PESTEL factor is it responding to?	Environmental	Technological	Economic	Political



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## OPERATIONS MANAGEMENT AND STRATEGIC MANAGEMENT (PAPER - 9) ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
1	OM deals with -	tangible product and intangible services	4
2	One of the example of pure service :	teaching	1
3	Objectives of operations management can be categorized into :	two	1
4	One of the objective of operation management is	Customer service	2
5	Principal function of customer service are	manufacture-transport-supply-service	4
6	The desired objective of Production and Operations Management is:	Optimal utilisation of available resources	3
7	Which one of the following is not an activity under productions and operations management?	Market penetration;	4
8	Operations management is concerned essentially with the utilization of resources. Utilisation of resources means	All the above	4
9	Which one of the following is not an objective of Operations Management?	To satisfy customers by providing right thing at the right price at the right time	2
10	Productions and Operations Management distinguishes itself from other functions such as personnel, marketing, finance, etc. mainly by its primary concern:	Conversion by using physical resources	2
11	Four dimensions of competitiveness that measure the effectiveness of the operations function are	Cost, Quality, Dependability as a supplier, Flexibility	1
12	Generally the size of the order for production in Job production is:	Small	1
13	The desired objective of Production and Operations Management is:	Optimal utilisation of available resources	3
14	To decide work load for men and machines:	Short term forecasting is used	2
15	The act of assessing the future and make provisions for it is known as	Forecasting	2
16	The time horizon selected for forecasting depends on:	Purpose for which forecast is made	3
17	Important factor in forecasting production is:	Available capacity of machines	2
18	Application of technology or process to the raw material to add use value is known as:	Production	2
19	In Production by disintegration the material undergoes:	Change in physical and chemical characteristics	2
20	Use of any process or procedure designed to transform a set of input elements into a set of output elements is known as:	Production	3
21	Conversion of inputs into outputs is known as:	Operations management	2
22	Which one of the following is the external factor impacting effective capacity?	Product standards	1
23	Increasing capacity utilisation depends on	Ability to increase effective capacity	2
24	Which one of the following is not within the purview of Long Range planning?	Preparation of overtime budget for workforce	4
25	The basic difference between slack and float time is that	A slack is used with reference to events whereas float is used with reference to activities	1



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## OPERATIONS MANAGEMENT AND STRATEGIC MANAGEMENT (PAPER - 9) ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
26	Which one of the following is not a factor in determining Economic Lot Size for manufacturing?	Production Schedule	1
27	Which one of the following is not a factor in planning service capacity	Period of production	1
28	It is extra capacity used to offset demand uncertainty. This is	Capacity Cushion = Capacity – Expected demand	2
29	Which one of the following is correct?	Capacity decisions must link backward & forward channels in the whole operation chain	2
30	Leading capacity strategy	Builds capacity in anticipation of increasing future demand	1
31	Which one of the following does not reduce effective capacity?	Efficient distributors	3
32	Which one of the following is an operational factor that determines effective capacity?	Quality assurance	4
33	Which one of the following is not a factor impacting effective capacity?	Market share	4
34	Benefits of high utilisation are realised only when	There is demand for output	4
35	Key to improving capacity utilisation is	To increase effective capacity	1
36	Utilisation of an operation facility is measured by	(Actual Output)/(Design Capacity)*100	2
37	Efficiency of an operation facility is measured by	(Actual output)/(Effective Capacity)*100	3
38	Which one of the following questions are not answered by Capacity planning?	When is it needed?	3
39	Out of Balance Capacity occurs	When there is a gap between current and desired capacity	3
40	The goal of capacity planning of an organisation is	To achieve a match between its long term supply capabilities and the predicted level of long term demand	4
41	Capacity refers to	An upper limit or ceiling on the load that an operating unit can handle	1
42	This denotes the highest output established by the actual trial runs of the productive machines installed. This is	Rated capacity	2
43	Which one of the following is not a key question in Capacity planning?	What kind of facilities are needed?	2
44	Capacity Utilisation is	The degree to which a resource such as equipment, space or the workforce is currently being used	1
45	Actual Output cannot exceed effective capacity because of	Rejection due to quality problems	2
46	Need for periodic maintenance of equipment always makes	Design capacity > Effective capacity	3
47	If design capacity is reduced by allowances such as personal time and maintenance, the resultant capacity is	Effective capacity	2
48	This capacity is the maximum rate of output achieved under ideal conditions. This is	Design capacity	1



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
49	Which one of the following is an output measure of Capacity?	The Aluminum giant XYZ produces 30mt in a day	3
50	Which one of the following is a feature of input measure of capacity?	Capacity is usually expressed as number of workstations or number of workers	3
51	Which one of the following is not a feature of output measure of capacity?	It is generally used for low volume, flexible processes such as furniture maker	3
52	Which one of the following is a feature of wait and see strategy?	It guards against inaccurate assumptions regarding competition	2
53	Which one of the following is not a feature of expansionist strategy?	It lags behind demand	4
54	Large capacity cushions are common in industries in which	Customer service is not a priority	3
55	The capacity cushion is	The amount of reserve capacity a process uses to handle sudden increase in demand	4
56	Capacity decisions are strategic because	Capacity decisions can affect competitiveness	4
57	Capacity decisions often involve	Long term irrevocable commitment of resources	1
58	Long-term capacity plans are concerned with	Investments in new facilities	2
59	Capacity planning procedure does not involve which one of the following?	Assess company situation and environment to analyse historical demand	1
60	Which one of the following is not affected by Capacity decisions?	Resource optimisation	4
61	Capacity planning is a	Long term strategic decision that establishes a firm's overall level of resources	4
62	Which one of the following is the result of excess capacity?	Drain company's resources	3
63	Aggregate Resource Planning becomes a challenge when demand fluctuates over the planning horizon. Under this case which one of the following is correct?	Producing at a constant rate and using inventory to absorb fluctuations in demand	2
64	The four step systematic approach to plan for long term capacity decisions does not involve	Estimate future productivity requirement	1
65	In operation sequence if capacity of a facility is lower than the capacities of other facilities in the sequence it is	Bottleneck operation	4
66	Which one of the following is not an objective of MRP?	Reasonable production schedule	4
67	Which one of the following is not a characteristics of Aggregate Planning?	Acceptable forecast for the period covering the whole planning horizon	2
68	Which one of the following is correct with respect to long range forecast?	It is used to plan for material requirement	4
69	The card which is prepared by the dispatching department to book the labour involved in each operation is :	Job card	4



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
70	One of the product examples for Line Layout is :	Cement	4
71	The following establishes time sequence of operations:	Scheduling	3
72	The act of going round the production shop to note down the progress of work and feedback the information is known as:	Follow up	1
73	In aggregate planning one of the methods used to modification of supply is:	Hiring and lay off of employees depending on the situation.	4
74	In aggregate planning, one of the methods in modification of demand is:	Differential Pricing	1
75	One of the requirements of Aggregate Planning is:	Both output and sales should be expressed in a logical overall unit of measuring	1
76	The study of relationship between the load on hand and capacity of the work centers is known as:	Loading	2
77	Scheduling deals with:	Fixing up starting and finishing times of each operation in doing a job.	4
78	Scheduling shows:	Which resource should do which job and when	3
79	Final stage of production planning, where production activities are coordinated and projected on a time scale is known as:	Scheduling	1
80	$(\text{Total station time}/\text{Cycle time} \times \text{Number of work stations}) \times 100$ is known as:	Line Efficiency	1
81	In solving a problem on LOB, the number of workstations required is given by:	Total time/ Cycle time.	4
82	Number of product varieties that can be manufactured in Mass production is:	Few varieties in large volumes	2
83	Generally in continuous production the production is carried out to:	Customer's order	1
84	Inventory cost per product in intermittent production is	Higher	1
85	The material handling cost per unit of product in Continuous production is:	Lower than other systems	2
86	Routing and Scheduling becomes relatively complicated in	Batch production	2
87	Number of product varieties that can be manufactured in Job production is:	Large varieties of products	2
88	In general number of product varieties that can be manufactured in Flow production is:	One only	1
89	Generally the size of the order for production in Job production is:	Small	1
90	For a marketing manager, the sales forecast is:	Estimate of the amount of unit sales or a specified future period	1
91	The time horizon selected for forecasting depends on:	Purpose for which forecast is made	3
92	Manufacturing system often produces:	Standardised products	1
93	Most suitable layout for Job production is:	Process layout	3
94	Most suitable layout for Continuous production is:	Line layout	1
95	One of the product examples for Line layout is:	Cement.	4



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## OPERATIONS MANAGEMENT AND STRATEGIC MANAGEMENT (PAPER - 9) ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
96	One of the important basic objectives of Inventory management is:	To employ the available capital efficiently so as to yield maximum results	3
97	MRP stands for:	Material Requirement Planning	1
98	In route sheet or operation layout, one has to show:	Every work center and the operation to be done at that work center	3
99	In aggregate planning, one of the methods in modification of demand is:	Differential Pricing	1
100	A steel plant has a design capacity of 50,000 tons of steel per day ,effective capacity of 40,0000 tons of steel per day and actual output of 36,0000 tons of steel per day. Compute the efficiency of the plant	90%	1
101	A firm has four work centres A,B,C & D , in series with individual capacities in units per day shown in below : raw material A - 380 B - 360 C- 340 D - 400 ---- Actual output 300, what is the efficiency system	88.23%	4
102	The monthly requirement of raw material for a company is 3000 units .The carrying cost is estimated to be 20% of the purchase price per unit ,in addition to rs 2 per unit.The purchase price of raw material is rs 20 per unit.The ordering cost is Rs 25 per order. You are required to find EOQ.	548 units	2
103	EOQ is 102 units ,maximum usage 200 units , maximum delivery period 8 weeks , minimum usage 50 units, minimum delevary period 6 weeks , calculate maximum level of stock	1402 units	3
104	M/s Kobo Bearing Ltd is committed to supply 24,000 bearings per annum to M/s Deluxe fans on a steady daily basis .It is estimated that it costs 10 paise as inventory holding cost per bearing per month and that the setup cost per run of bearing manufacture is 324.What is the optimum run size for bearing manufacture ?	3600 units	1
105	In general, medium range forecasting period will be approximately:	3 to 6 months	3
106	The range of Long range forecasting period may be approximately:	above 5 years.	4
107	To plan for future man power requirement:	Long range forecasting is used	2
108	Long range forecasting is useful in:	Plan for Research and Development	1
109	Medium range forecasting is useful in:	To plan for-capacity adjustments	3
110	Important factor in forecasting production is:	Available capacity of machines	2
111	To decide work load for men and machines:	Short term forecasting is used	2
112	For production planning:	Shot term forecasting is useful	1
113	In general, medium range forecasting period will be approximately	3 to 6 months	3
114	Medium range forecasting is useful in:	To plan for-capacity adjustments	3



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
115	Monthly demand for a component is 1000 units. Setting-up cost per batch is ₹ 120. Cost of manufacture per unit is ₹ 20. Rate of interest may be considered at 10% p.a. Calculate the EBQ	1200 units	1
116	Daily demand for a certain product is normally distributed with a mean of 60 and standard deviation of 7. The source of supply is reliable and maintain a constant lead time of six days. The cost of placing the order is ₹ 10 and annual holding costs are ₹ 0.50 per unit. There are no stock out costs, and unfilled orders are filled as soon as the order arrives. Assume sales occur over the entire 365 days of the year. Find the . Find the order quantity	936 units	2
117	Consider the following item that is being managed using a fixed time period model with safety stock  Weekly demand (d) = 50 units Review cycle (T) = 3 weeks Safety stock (SS) = 30 units What are the average inventory turn for the item?	24.8 turns per year	1
118	Addition of value to raw materials through application of technology is :	Production	2
119	Cost reduction can be achieved through	Value analysis	2
120	Production control concerned with:	Passive assessment of plant performance	1
121	The starting point of Production cycle is:	Market research.	4
122	Variety reduction is generally known as:	Simplification	2
123	Preferred numbers are used to:	To determine the number of varieties that are to be manufactured	1
124	There are _____ stages of Design thinking	5	1
125	Most suitable layout for Job production is	Process layout	3
126	Most suitable layout for Continuous production is:	Line layout	1
127	One of the product examples for Line layout is:	Cement.	4
128	Generally in continuous production the production is carried out to:	For stock and supply	3
129	Inventory cost per product in intermittent production is:	Higher	1
130	The material handling cost per unit of product in Continuous production is:	Lower than other systems	2
131	Routing and Scheduling becomes relatively complicated in	Batch production	2
132	The starting point of Production cycle is:	Market research.	4
133	In Process Planning we plan:	We plan the flow of material in each department	3
134	In Operation Planning	The planner plans each operation to be done at work centers and the sequence of operations	1



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
135	One of the important production documents is:	Route card	3
136	The scope of Production Planning and Control is:	Unlimited, can be applied to any type of activity.	4
137	Which one of the following product is not suitable for flow shop scheduling?	Invitation Card	4
138	Which one of the following is a Sequencing rule for single facility?	LPT	4
139	The main question in an assignment problem is	How the assignments should be made in order that the total cost involved in activities is minimized	1
140	Linear Programming is a technique used for determining:	Product Mix	3
141	In a linear programming model feasible solution is	Any solution that also satisfies the non-negative restrictions of the general L.P problem	2
142	Which one of the following is not a limitation of linear programming model?	Model can be applied only to all real world problems which are not complex in nature	3
143	Which of the following is not a method for solving Assignment problem?	Natural method	4
144	The objective of application of linear programming in industrial problems is	To determine a plan for production and procurement in the time period under consideration	1
145	Simulation is the representation of a real life situation by different means. It is popular because---	All the above	4
146	In sequencing it is the difference between the time remaining to due date and the remaining processing time. It is	STR	1
147	Selection of plant location is influenced by few factors. Which one of the following is not a factor?	Government's EXIM Policy	4
148	In a queuing system, the speed with which service is provided can be expressed in either of two ways—	Service rate and Service time	2
149	Most suitable layout for continuous production is	Line layout	1
150	The most powerful and popular method for solving linear programming problem is	Simplex method	1
151	$(\text{Total station time/cycle time} \times \text{Number of work stations}) \times 100$ is known as	Line efficiency	1
152	One of the important charts used in Programme control is:	Gantt chart	2
153	Issuing necessary orders, and taking necessary steps to ensure that the time targets set in the schedules are effectively achieved is known as:	Dispatching	2
154	Linear Programming is a technique used for determining:	Product Mix	3
155	Arrangement of machines depending on sequence of operations happens in:	Product Layout	2
156	Computers are used in Production control in this area:	Loading, Scheduling and Assignment works.	4
157	Z-chart can be used to show:	Both the plan and the performance, and deviation from the plan	3



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
158	'Z' chart is a chart used in:	Programme control	1
159	One of the activities of expediting is:	To record the actual production against the scheduled production	3
160	When work centers are used in optimal sequence to do the jobs, we can:	Minimise the set up time	1
161	The way in which we can assess the efficiency of the production plant is by:	By comparing the actual performance with targets specified in the specified programme	3
162	One of the important charts used in Programme control is:	Gantt chart	2
163	One of the important production documents is:	Route card	3
164	The first stage of Production control is:	Triggering of production operations and observing the progress and record the deviation	4
165	Production planning in the intermediate range of time is termed as:	Aggregate planning	4
166	One of the principles of Scheduling is:	Principle of optimal operation sequence	3
167	One of the aims of loading is:	To keep operator idle time, material waiting time and ancillary machine time at minimum.	4
168	The cycle time in selected in balancing a line must be:	Must be slightly greater than the highest time element given in the problem	3
169	In solving a problem on LOB, the number of workstations required is given by:	Total time/ Cycle time.	4
170	Number of product varieties that can be manufactured in Job production is:	Large varieties of products	2
171	For a marketing manager, the sales forecast is:	Estimate of the amount of unit sales or a specified future period	1
172	For production planning:	Short term forecasting is useful	1
173	Production planning deals with:	What production facilities is required and how these facilities should be laid out in space available	1
174	The first stage in production planning is:	Factory Planning	2
175	In Process Planning we plan:	We plan the flow of material in each department	3
176	Economies of scale occurs when	Operating efficiency increases as workers gain experience	4
177	The act of assessing the future and make provisions for it is known as	Forecasting	2
178	Application of technology or process to the raw material to add use value is known as:	Production	2
179	In Production by disintegration the material undergoes:	Change in physical and chemical characteristics	2
180	The scope of Production Planning and Control is:	Unlimited, can be applied to any type of activity.	4
181	In an organisation the production planning and control department comes under:	Manufacturing department	2



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
182	In Job production system, we need:	Skilled labours	2
183	Wanda's Car Wash & dry is an automatic, five-minute operation with a single bay. On a typical Saturday morning, cars arrive at a mean rate of eight per hour, with arrivals tending to follow a Poisson distribution. Find The average time cars spend in line and service.	10 minutes	1
184	A departmental store has one cashier. During the rush hours, customers arrive at a rate of 20 per hour. The average number of customers that can be handled by the cashier is 24 per hour. Assume the conditions for use of the single – channel queuing model. Find out average customer spends in the system	5 customers	2
185	As a tool service centre the arrival rate is two per hour and the service potential is three per hour. Simple queue conditions exist. The hourly wage paid to the attendant at the service centre is ` 1.50 per hour and the hourly cost of a machinist away from his work is ` 4. Calculate: The average time a machinist spends waiting for service.	0.667 hours	2
186	Which one of the following is not a factor affecting productivity?	Master production schedule	4
187	Which one of the following is not correct?	Productivity relates to a fixed set of tools or conditions	2
188	Which one of the following is not a factor for determination of effective capacity?	EOQ	4
189	A device of expressing the ratio between outputs and the inputs of the resources in numerical terms is named	Productivity Index	1
190	In Production by service, the product undergoes the changes in:	Shape of the surface only	2
191	Use of any process or procedure designed to transform a set of input elements into a set of output elements is known as:	Production	3
192	Conversion of inputs into outputs is known as:	Operations management	2
193	Most important benefit to the consumer from efficient production system is:	He gets increased use value in the product	3
194	In Continuous manufacturing system, we need:	Special machine tools and highly skilled labours	2
195	The best way of improving the productivity of capital is:	Productivity of capital is to be increased through effective materials management.	4
196	There are two industries A and B manufacturing hose couplings. The standard time per piece is 15 minutes. The output of two small scale industries is 30 and 20 respectively per shift of 8 hours. Find the productivity of each per shift of 8 hours.	15/16, 5/8	1



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
197	Calculate the standard production per shift of 8 hours duration, with the following data: Observed time per unit = 5 minutes, Rating Factor -120%, Total allowances = 30% of normal time.	61.54 units	4
198	ISO 9004 only establishes guidelines	operation	1
199	for Quality Assurance in Design, Production, Installation and Servicing the _____ model is be used.	ISO 9001 Model	2
200	for Quality Assurance in Production and Installation the _____ model is be used.	ISO 9002 Model	1
201	for Quality Assurance in Final Inspection Test the _____ model is be used.	ISO 9003 Model	3
202	A cement factory in Madhya Pradesh works 7 days a week in 3 shifts per days having maintenance in the first shift of around 2 hours. It has roughly 100 workers which produces only pozzolanic properties cement better known as PPC. The output per month is around 2500 tonnes of PPC. Find the productivity per worker?	25 tonnes	3
203	The method used in scheduling a project is:	PERT & CPM	3
204	The difference between product system and project system is:	In Product system the machinery and equipment are fixed and in project system they are not fixed	2
205	Fixing the flow lines of materials in production is known as:	Routing.	4
206	The activity of specifying when to start the job and when to end the job is known as:	Timing	3
207	A network :	Is a graphical representation of all the activities and events.	1
208	While evaluating existing or proposed service systems, operation manager	Relate to potential customer dissatisfaction and costs:	1
209	Probabilistic time is divided into :	3	1
210	Gantt Chart is a principal tool used in	Scheduling	1
211	The event from where more than one activity starts	Brust Event	2
212	Free float means or is equal to	Total float - Slack time of the head event	1
213	The critical path analysis is an important tool in production planning and _____	scheduling	
214	The method used in scheduling a project is:	PERT & CPM	3
215	One of the important charts used in programme control is:	Gantt chart	2
216	Final stage of production planning, where production activities are coordinated and projected on a time scale is known as:	Scheduling	1
217	One of the principles of Scheduling is:	Principle of optimal operation sequence	3



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
218	Issuing necessary orders, and taking necessary steps to ensure that the time targets set in the schedules are effectively achieved is known as:	) Dispatching	2
219	Which one of the following statements is NOT correct?	Slack can be calculated by adding EFT and LFT of any job.	2
220	Which one of the following establishes time sequence of operations?	Scheduling	3
221	Issuing necessary orders, and taking necessary steps to ensure that the time targets set in the schedules are effectively achieved is known as:	Dispatching	2
222	Which one of the following is the benefit of keeping standby machines?	Protection against a complete shutdown	4
223	Preventive maintenance is useful in reducing	Shutdown Cost	2
224	Two important functions that are to be done by Production department are:	Scheduling and loading	3
225	When work centers are used in optimal sequence to do the jobs, we can:	Minimise the set up time	1
226	Preventive maintenance policy is justified only when	The average downtime and its cost is greater than the average time taken to carry out breakdown repairs	2
227	Which one of the following is not correct?	Preventive maintenance increases number of large scale repairs	2
228	Production department or maintenance department depending on the size of the plant generally takes up	preventive maintenance work.	1
229	The main problem in maintenance analysis is to_____ the overall cost of maintenance without sacrificing the objectives.	minimise	3
230	In some cases the_____ and inconvenience due to breakdown of equipment is so high that standby equipment is kept.	loss	2
231	_____ while the equipment is running or during pre- planned shut-downs.	Routine maintenance	1
232	The organizational structure should be	systematic	1
233	Which one of the following is NOT the advantage of Preventive Maintenance?	Increased breakdowns and downtime	3
234	Identify which one of the following is NOT the objective of the maintenance:	To keep the down time of the machine at the maximum.	3
235	. One of the objectives of maintenance is:	to extend the useful life of Plant & Machinery without sacrificing the level of performance	4
236	The monitoring, evaluating and disseminating of information from the external and internal environments to key people within the organisation is called	Environmental scanning	4
237	The _____ of a company state how managers and employees should conduct themselves.	values	1
238	_____ are the day-to-day way in which an organisation operates and can be seen by people both inside and outside the organisation.	Behaviours	3



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## OPERATIONS MANAGEMENT AND STRATEGIC MANAGEMENT (PAPER - 9) ANSWERS TO MCQ BANK

SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
239	Which among the following provide the standards for performance appraisal?	Objectives	4
240	_____ is concerned with complexity arising out of ambiguous and non-routine situations with organisation wide rather than operation-specific implications.	Strategic Management	3
241	_____ refer to the job-specific goals of each individual employee.	Personal objectives	3
242	The balanced score card is a _____ approach to performance management	top-down	1
243	This _____ provides the broad 'data' from which to identify key drivers of change.	PESTEL analysis	3
244	Environment is _____ .	All of the above	4
245	_____ are the growth rate of the economy, interest rates, currency exchange rates, and inflation (or deflation) rates.	Macro-economic forces	1
246	_____ are outcomes of changes in the characteristics of a population	Demographic forces	2
247	What describes the categories of activities within and around an organisation, which together create a product or service?	Value Chain	3
248	_____ transform these inputs into the final product or service.	Operations	1
249	_____ includes those activities that enhance or maintain the value of product or service, such as installation, repair, training and spares.	Service	4
250	_____ are companies that are not currently competing in an industry, but have the capability to do so if they choose.	Potential competitors	2
251	Absolute cost advantages arise from	all of the above	4
252	A _____ is a combination of structures which could take the form of product and geographical divisions or functional and divisional structures operating in tandem.	Matrix Structure	2
253	A _____ combines the local responsiveness of the international subsidiary with the coordination advantages found in global product companies.	Transnational structure	4
254	Which among the following is true?	BPR has resulted in major gains in efficiency, quality and speed.	4
255	A _____ is one where teams are created, undertake the work and are then dissolved.	Project based structure	3
256	_____ specifies what is to be accomplished by focusing on the end result.	Output control	1



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257	_____ is control achieved through the establishment of a comprehensive system of rules and procedures to direct the actions of divisions, functions, and individuals.	Behaviour control	2
258	_____ checks systemically and continuously whether the assumptions on which the strategy is based are still valid.	Premise control	3
259	A _____ is based on the primary activities that have to be undertaken by an organisation	Functional structure	1
260	This test is a catch-all category, indicating that the structure must fit legal, stakeholder, trade union or similar constraints.	The Feasibility Test	1
261	In a fast-moving world, an important test to determine the extent to which a design will allow for change in the future is called?	The Flexibility Test	2
262	Digital transformation drives change in	all of the above	4
263	The process of digital transformation requires coordination across the entire organization, and involves business culture changes.	digital transformation	3
264	Categorising and organising the digitised data and making it ready for application of further processes is called _____ .	Data management	2
265	Which among the following is not a characteristic of Big Data?	Invariability	4
266	Data that can be stored, accessed and processed in the form of fixed format is called _____ .	structured data	3
267	Which among the following is not a component of a block chain?	Increased threat	4
268	Which among the following alternatives is not suited for Robotic process automation tools?	Unpredictable events	4
269	_____ is similar to referral programs.	Affiliate marketing	2
270	_____ is a form of paid advertising that allows marketing teams to essentially purchase traffic to their website.	Pay-per-click	3
271	Forecasting the weather is an example of	Narrow AI	1
272	JIT stands for:	Just in production	2
273	Example of production by disintegration is:	Crude oil	1
274	The act of assessing the future and make the provision for the act is known as:	Forecasting	1
275	The quantities for which the planner has to prepare production plan are known as	planning quantity standards	2
276	PERT is _____ oriented technique:	Event oriented technique	1
277	Operations Management is primarily deals with:	Conversion of inputs into outputs using physical resources	2
278	What is the main objectives of Operations Management include:	Effectiveness, efficiency, and adaptability	1
279	Under Production and Operations Management which of the following is not an activity ?	Financial Accounting	2



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280	The term "Disappearance of Smokestacks" refers to:	Transformation of factories into environmentally friendly, knowledge-based systems	2
281	The idea that "Small is Beautiful" was given by:	E.F. Schumacher	2
282	The utilisation rate helps management to determine:	Need for adding or reducing capacity	2
283	Facility Layout is also known as:	Plant Layout	2
284	Process Layout is also known as:	Functional Layout	1
285	The main advantage of process layout is:	Flexibility in operation	3
286	Material Requirement Planning (MRP) is mainly used for planning the production of:	Assembled products	4
287	The main purpose of MRP is to:	Ensure that materials are available when needed	2
288	Which among the following is an advantage of an efficient production and inventory management system?	Reduced inventory, reduced idle time, and reduced setup time	2
289	The Economic Lot Size or Economic Order Quantity or Economic Batch Quantity is defined as:	The quantity of output produced in one batch that is most economical, resulting in the lowest average cost of production	3
290	M/s Kobo Bearings Ltd., is committed to supply 24,000 bearings per annum to M/s Deluxe Fans on a steady daily basis. It is estimated that it costs 10 paisa as inventory holding cost per bearing per month and that the setup cost per run of bearing manufacture is ₹324. What is the optimum run size for bearing manufacture?	3600	1
291	Find the economic order quantity and the reorder point, given Annual demand (D) = 1000 units Average daily demand (d) = 1000/365 Ordering Cost (S) = ₹5 per order Holding cost(H) = ₹1.25 per unit per year. Lead time (L) = 5 days Cost per unit (C) = ₹12.50 What quantity should be ordered?	2612	3
292	A good product design helps an organization to:	Stay ahead of competition and sustain in a VUCA world	3
293	The Growth phase of the Product Life Cycle is characterized by:	Rapid increase in sales and market expansion	2
294	The Decline phase of the Product Life Cycle is characterized by:	Falling sales and narrowing profit margins	3
295	Which among the following order represents the correct stages of the Product Life Cycle ?	Introduction → Growth → Maturity → Decline	2
296	The main objective of an assignment problem is to:	Minimize total cost or time of performing all jobs	4
297	Which of the following is not a method for solving an assignment problem?	Regression Method	3
298	Wanda's Car Wash & dry is an automatic, five-minute operation with a single bay. On a typical Saturday morning, cars arrive at a mean rate of eight per hour, with arrivals tending to follow a Poisson distribution. Find the average number of cars in line.	0.667 Car	1



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
299	Monte Carlo simulation is mainly used in for:	Random or stochastic systems	3
300	The important requirements of Monte Carlo simulation are:	Model of the system and random number generator	3
301	Simulation is most useful method when:	The system is complex and difficult to analyze mathematically	4
302	In which company Lean operation has its roots ?	Toyota Automobile Co., Japan	3
303	Which of the following is not an objective of JIT manufacturing?	Produce products before demand arises	4
304	Continuous improvement in JIT means:	Correcting existing problems and identifying new ones continuously	4
305	A factory has 13 workers producing a single product. The total output in a month of 24 working days is 370 units. What is the monthly productivity per worker?	28.46	2
306	Productivity is commonly defined as:	Ratio between the output volume and the volume of inputs	3
307	Which of the following is not a method to measure employee productivity?	Measure employee happiness	4
308	Natural factors influencing productivity include:	Climatic and geological conditions	3
309	Social factors affecting productivity refer to:	Culture, customs, and traditions of society	3
310	Continuous improvement in TQM is also known as:	KAIZEN	3
311	Total Quality Management encourages:	Teamwork, cooperation, and employee involvement	3
312	Which of the following is not a principle of TQM?	Quality is achieved through random inspection	1
313	Slack signifies:	The freedom available to reschedule or start a job	3
314	For a job, slack time is calculated as:	EFT – LFT	2
315	A job with zero slack is called:	Critical job	1
316	EFT (Earliest Finish Time) is calculated as:	Earliest Start Time + Duration of activity	1
317	Floats represent:	Difference between maximum time available and actual time required to complete an activity	2
318	Formula for Total Float (TF) is:	$TF = (LFT \text{ of head event} - EST \text{ of tail event}) - \text{Duration}$	3
319	A project activity has an EFT = 12 days, LFT = 20 days. What is its slack time?	8 days	1
320	A negative total float indicates that:	Resources are not adequate and the activity cannot finish on time	3
321	Free Float is a part of:	Total Float	2
322	Independent Float can be calculated as:	Free Float – Tail Slack	3
323	The main difference between slack and float is that:	Slack is used for events, float is used for activities	4
324	The time constraint in project management refers to:	The schedule for the project to reach completion	1
325	Quality Improvement in project management refers to:	Applying tools to close gaps between current and desired quality levels	3
326	A Gantt Chart is also known as a:	Bar chart	3



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SL NO	QUESTIONS	CORRECT ANSWER	ANSWER CODE
327	A major advantage of the Gantt Chart is that it:	Can easily incorporate changes in timing and machine loads	2
328	An event in a network refers to:	The start or completion of a job that consumes no resources	3
329	Network analysis provides a graphical representation of:	All activities and events in logical sequence	4
330	Which of the following is not an application of network analysis?	Retail store management	2
331	The type of maintenance in which machines are repaired only after breakdown is known as:	Breakdown or repair maintenance	3
332	Which of the following is an analytical measure used to evaluate preventive maintenance effectiveness?	All of the above	4
333	One of the key advantages of preventive maintenance is:	Reduced breakdowns and downtime	2
334	What does running maintenance typically include?	Lubrication, cleaning, and periodic overhaul while the equipment is in operation or during preplanned shutdowns	3
335	What are the two main causes for the replacement of machinery?	Wear and obsolescence	1
336	One reason for replacing a machine before its expected life is:	To reduce running costs and increase productivity	3
337	Which of the following is NOT a classification of spare parts?	Temporary Spares	4
338	What is the primary purpose of a vision statement in an organization?	To define the desired future state and aspirations of the organization.	3
339	What does the "F" in the FAST goal-setting framework stand for?	Frequently discussed	3
340	What does EVA stand for in financial performance metrics?	Economic Value Added	3
341	The dynamic nature of the business environment requires businesses to:	Continuously adapt to changes and anticipate future trends	1
342	A company develops a new recycling process to reduce waste. Which PESTEL factor is it responding to?	Environmental	1