**Chapter 13 Study Guide** Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Part 1: Completion**

*In the space provided, write the word or words that best completes each statement below.*

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ The front display area of a grocery store where sponsored brands and promotional items are displayed.
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ A specific measurement against which an activity or result is judged.
3. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ A code printed on packages to identify and price products.
4. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Maintaining the supply of all resources needed for production.
5. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Studying existing products for improvements or new uses.

**Part 2: Multiple Choice**

*In the space provided, write the letter that represents the word, or group of words, that correctly matches the statement.*

1. \_\_\_\_\_ Another term for logistics is
   1. inventory management
   2. storage facilities management
   3. supply chain management
   4. acquisitions management
2. \_\_\_\_\_ Research conducted to discover new solutions to problems without having a specific product in mind is called
   1. applied research
   2. pure research
   3. unstructured research
   4. natural research
3. \_\_\_\_\_ The forms of production are extraction, processing, manufacturing, and
   1. retailing
   2. wholesaling
   3. cultivation
   4. distribution
4. \_\_\_\_\_ The principle distribution centers use to rotate product so it stays fresh is
   1. first in last out
   2. first in first out
   3. last in first out
   4. last in last out
5. \_\_\_\_\_ Which of the following is most likely to be custom manufactured?
   1. an automobile
   2. a set of wedding invitations
   3. a textbook
   4. a bag of coffee beans

**Part 3: Yes or No**

*Indicate your answer to each of the following questions by placing a check mark on the line under* ***yes*** *or* ***no*** *at the right.*

Yes No

1. Does personnel involve the planning/execution of hiring and training workers? \_\_\_\_ \_\_\_\_
2. Is a schedule a time plan for completing operating activities? \_\_\_\_ \_\_\_\_
3. Do automobile assembly plants often use mass production? \_\_\_\_ \_\_\_\_
4. Are standard items are placed at eye height on grocery shelves? \_\_\_\_ \_\_\_\_
5. Does moving an item down from the capping to the grocery shelve cost $1.25? \_\_\_\_ \_\_\_\_

**Part 4: Sorting**

*Sort each of the terms below into their proper categories. Then briefly describe each term. An example is given.*

custom manufacturing

operational plan

personnel

standard

product design

mass production

materials processing

~~production process~~

product research

schedule

production resource

|  |  |  |  |
| --- | --- | --- | --- |
| **Production Planning** | **Types of Manufacturing** | **Operations Tools** | **Product Development** |
| **production process**  *the activities, equipment, and resources needed to manufacture a product* | 18) | 21) | 24) |
| 16) | 19) | 22) | 25) |
| 17) | 20) | 23) |  |

**Part 5: Calculations**

*Answer each of the questions below.*

26) You are expanding your PB&J production to include PB&B (Peanut Butter & Banana Sandwiches). Based on previous sales, you predict that you will need to make 500 sandwiches for your first production run. Estimate the **cost of each raw material** needed to produce 500 PB&B’s. Assumptions:

* 10 sandwiches/loaf of bread, a loaf of bread costs $2.25
* 4 sandwiches/banana, a banana costs $0.15
* 8 sandwiches/jar of peanut butter, a jar of peanut butter costs $3.10

**Bread**: \_\_\_\_\_\_/500 sandwiches

**Bananas**: \_\_\_\_\_\_/500 sandwiches

**Peanut Butter**: \_\_\_\_\_\_/500 sandwiches

27) Calculate the **labor cost** of making 500 PB&B’s assuming your hired labor cost is $15/hour and it takes   
2 ½ minutes to make one PB&B.

28) What is the **total production cost** of 500 PB&B’s?