

PROCESS PLANNING AND COST ESTIMATION- (MCQ)

1. A graphical device used to determine- the break-even point and profit potential under varying conditions of output and costs, is known as

- A.Gnatt chart
- B.Flow chart
- C.Break-even chart
- D.PERT chart

Answer => C

2. Break-even analysis consists of

- A.Fixed cost
- B.Variable cost
- C.Fixed and variable costs
- D.Operation costs

Answer => C

3. Break-even analysis shows profit when

- A.Sales revenue > total cost
- B.Sales revenue = total cost
- C.Sales revenue < total cost
- D.Variable cost < fixed cost

Answer => A

4. In break-even analysis, total cost consists of

- A.Fixed cost
- B.Variable cost
- C.Fixed cost + variable cost
- D.Fixed cost + variable cost + over-heads

Answer => C

5. The break-even point represents

- A.The most economical level of operation of any industry
- B.The time when unit can run without I loss and profit
- C.Time when industry will undergo loss
- D.The time when company can make maximum profits

Answer => B

6. In the cost structure of a product, the selling price is determined by the factors such as

- A.Sales turn over
- B.All of the above.
- C.Various elements of the cost
- D.Buyers' capability to pay the cost

Answer => B

7. Work study is concerned with

- A.Improving present method and finding standard time
- B.Motivation of workers
- C.Improving production capability
- D.Improving production planning and control

Answer => A

8. Basic tool in work study is

- A.Graph paper
- B.Process chart
- C.Planning chart
- D.Stop watch

Answer => D

9. What does symbol 'O' imply in work study

- A.Operation
- B.Inspection
- C.Transport
- D.Delay/temporary storage

Answer => A

10. What does symbol square imply in work study

- A.Operation
- B.Inspection
- C.Transport
- D.Permanent storage

Answer => B

11. What does symbol \Rightarrow imply in work study

- A.Operation
- B.Inspection
- C.Transport
- D.Permanent storage

Answer => C

12. What does symbol 'D' imply in work study

- A.Inspection
- B.Transport
- C.Delay/temporary storage
- D.Permanent storage

Answer => C

13. What does symbol ∇ imply in work study

- A.Operation
- B.Inspection
- C.Delay/ temporary storage
- D.Permanent storage

Answer => D

14. Material handling in automobile industry is done by

- A.Overhead crane
- B.Trolley
- C.Belt conveyor
- D.All of the above

Answer => A

15. String diagram is used when

- A.Team of workers is working at a place
- B.Material handling is to be done
- C.Idle time is to be reduced
- D.All of the above

Answer => A

16. Work study is most useful

- A.Where production activities are involved
- B.In judging the rating of machines
- C.In improving industrial relations
- D.In judging the output of a man and improving it

Answer => A

17. Micromotion study is

- A.Enlarged view of motion study
- B.Analysis of one stage of motion study
- C.Minute and detailed Motion study
- D.Subdivision of an operation into therbligs and their analysis

Answer => D

18. In micromotion study, therblig is described by

- A.A symbol
- B.Standard symbol and colour.
- C.An activity
- D.Micro motions

Answer => B

19. The allowed time for a job equals standard time plus

- A.Policy allowance
- B.Interference allowance
- C.Process allowance
- D.Learning allowance

Answer => A

20. Micromotion study involves following number of fundamental hand motions

- A.8
- B.12
- C.16
- D.20

Answer => C

21. The standard time for a job is

- A.Total work content
- B.Basic time + relaxation time
- C.Total work content + basic time
- D.Total work content + delay contingency allowance

Answer =>D

22. Job evaluation is the method of determining the

- A.Relative worth of jobs
- B.Skills required by a worker
- C.Contribution of a worker
- D.Contribution of a job

Answer => A

23. Micromotion study is

- A.Analysis of a man-work Method by using a motion picture camera with a timing device in the field of view
- B.Motion study observed on enhanced time intervals
- C.Motion study of a sequence of operations conducted systematically
- D.Study of man and machine conducted simultaneously

Answer => A

24. TMU in niethod time measurement stands for

- A.Time motion unit
- B.Time measurement unit
- C.Time movement unit
- D.Technique measurement unit

Answer => B

25. Time study is

- A.The appraisal, in terms of time, of the
- B.Machine setting time value Of work involving human effort
- C.Time taken by workers to do a job
- D.Method of fixing time for workers

Answer => A

26. Work study is done with the help of

- A.Process chart
- B.Material handling
- C.Stop watch
- D.All of the above

Answer => C

27. Scheduling gives information about

- A.When work should start and how much work should be completed during a certain period
- B.When work should complete
- C.That how idle time can be minimised
- D.Prcper utilisation of, machines

Answer => A

28. Expediting function consists in keeping a watch on

- A.Operator's activity
- B.Flow of material and in case of trouble locate source of trouble
- C.Minimising the delays
- D.Making efficient despatching

Answer => B

29. Work sampling observations are taken on the basis of

- A.Detailed calculations
- B.Convenience
- C.Table of random numbers
- D.Past experience

Answer => C

30. One time measurement unit (TMU) in method time measurement system equals

- A.0.0001 minute
- B.0.0006 minute
- C.0.006 minute
- D.0.001 minute

Answer => B

31. Basic motion time study gives times for basic motions in ten thousandths of

- A.Second
- B.Minute
- C.Hour
- D.Day

Answer => B

32. Choose the wrong statement. Motion study is used for

- A.Improving a work method
- B.Reducing inventory costs.
- C.Designing a work method
- D.Providing a schematic framework

Answer => B

33. Gantt chart provides information about the

- A.Material handling
- B.Proper utilisation of manpower
- C.Production schedule
- D.Efficient working of machine

Answer => C

34. ABC analysis deals with

- A.Analysis of process chart
- B.Flow of material
- C.Orarering schedule of job
- D.Controlling inventory costs money

Answer => D

35. Process layout is employed for

- A.Batch production
- B.Continuous type of product
- C.Effective utilisation of machines
- D.All of the above

Answer => A

36. For a product layout the material handling equipment must

- A. Have full flexibility
- B. Employ conveyor belts, trucks, tractors etc.
- C. Be a general purpose type
- D. Be designed as special purpose for a particular application

Answer => D

37. Travel charts provide

- A. An idea of the flow of materials at various stages
- B. A compact estimate of the handling which must be done between various work sections
- C. The information for changes required in rearranging material handling equipment
- D. An approximate estimate of the handling which must be done at a particular station

Answer => B

38. Product layout is employed for

- A. Batch production
- B. Continuous production
- C. Effective utilisation of machine
- D. All of the above

Answer => B

39. The most important objective behind plant layout is

- A. Overall simplification, safety of integration
- B. Economy in space
- C. Maximum travel time in plant
- D. To provide conveniently located shops

Answer => A

40. The process layout is best suited where

- A. Specialisation exists
- B. Machines are arranged according to sequence of operation
- C. Few number of non-standardised units are to be produced
- D. Mass production is envisaged

Answer => C

41. Military organisation is known as

- A. Line organisation
- B. Line and staff organisation
- C. Functional organisation
- D. All of the above

Answer => A

42. The main disadvantage of line organisation is

- A. Top level executives have to do excessive work
- B. Structure is rigid
- C. Communication delays occur
- D. All of the above

Answer => D

43. The main advantage of line organisation is its

- A. Effective command and control
- B. All of the above.
- C. Rigid discipline in the organisation
- D. Ability of quick decision at all levels

Answer => B

44. Frederick W. Taylor introduced a system of working known as

- A. Line organisation
- B. Line and staff organisation
- C. Functional organisation
- D. Effective organisation

Answer => C

45. The salient feature of functional 'organisation is

- A. Strict adherence to specification
- B. All of the above.
- C. Each individual maintains functional efficiency
- D. Work is properly planned and distributed

Answer => B

46. The most popular type of organisation used for Civil Engineering Constructions is (a) line organisation

- A. (b) line and staff organisation
- B. (c) functional organisation
- C. (d) effective organisation
- D. (e) none of the above.

Answer => A

47. Templates are used for

- A. A planning layout
- B. Flow of material
- C. Advancing a programme in automatic machines
- D. Copying complicated profiles

Answer => A

48. In steel plant the most important system for materials handling is

- A. Conveyors
- B. Cranes and hoists
- C. Trucks
- D. Locomotives

Answer => D

49. Routing prescribes the

- A. Flow of material in the plant
- B. Proper utilization of man power
- C. Proper utilization of machines
- D. Inspection of final product

Answer => A

50. Queuing theory deals with problems of

- A. Material handling
- B. Reducing the waiting time or idle time
- C. Better utilization of man services
- D. Effective use of machines

Answer => B

51. Standard time is defined as

- A. Normal time + allowances
- B. Normal time + idle time + allowances
- C. Normal time + idle time
- D. Only normal time for an operation

Answer => A

52. The grouping of activities into organisational units is called

- A. Corporate plans
- B. Higher level management
- C. Functional authority
- D. Departmentation

Answer => D

53. Which of the following organisation is preferred in automobile industry

- A. Functional organisation
- B. Line organisation
- C. Staff organisation
- D. Line and staff organisations

Answer => D

54. Which of the following organisations is best suited for steel plants

- A. Functional organisation
- B. Line organisation
- C. Staff organisation
- D. Line, staff and functional organisations

Answer => A

55. The wastage of material in the store is taken into account by the following method in the evaluation of the material issued from the store

- A. Inflated system
- B. Primary cost method
- C. Current value method
- D. Fixed price method

Answer => A

56. Which of the following is independent of sales forecast

- A. Productivity
- B. Inventory control
- C. Production planning
- D. Production control

Answer => A

57. Gantt charts are used for

- A.Forecasting sales
- B.Production schedule
- C.Scheduling and routing
- D.Linear programming

Answer => B

58. Gantt charts, provide information about

- A.Break even point analysis
- B.Production schedule
- C.Material handling layout
- D.Determining selling price

Answer => B

59. The technique of value analysis can be applied to

- A.Complicated items only
- B.Any item.
- C.Crash-programme items only
- D.Cost consciousness items only

Answer => B

60. The term 'value' in value engineering refers to

- A.Total cost of the product
- B.Selling price of the product
- C.(d) manufactured cost of the product
- D.(e) depreciation value.

Answer => C

61. Value engineering aims at finding out the

- A.Depreciation value of a product
- B.Resale value of a product
- C.Major function of the item and accomplishing the same at least cost without change in quality
- D.Break even point when machine requires change

Answer => C

62. In the perpetual inventory control, the material is checked when it reaches its

- A.Minimum value
- B.Maximum value
- C.Average value
- D.Aling value

Answer => A

63. According to MAPI formula, the old machine should be replaced by new one when

- A.CAM < DAM
- B.CAM > DAM
- C.CAM = DAM
- D.There is no such criterion

Answer => A

64. Merit Rating is the method of determining worth of

- A.A job
- B.An individual employee
- C.A particular division in workshop
- D.Machine

Answer => B

65. Which of the following layouts is suited to job production

- A.Process layout
- B.Product layout
- C.Fixed position layout
- D.Plant layout

Answer => A

66. The employees provident fund act is applicable to

- A.All industries
- B.All industries other than small and medium industries
- C.Volunteers
- D.The industries notified by Government

Answer => D

67. The amount deducted from the salary of workers towards-employees provident fund is

- A.Credited into reserves of company
- B.Deposited in the account of worker with Provident Fund Commissioner.
- C.Deposited in post office
- D.Deposited in the account of worker with employer or Reserve Bank of - India

Answer => B

68. The deductions for employees provident fund start

- A.Immediately on joining the service
- B.After 60 days of joining the service
- C.After 100 days of joining the service
- D.After 240 days of joining the service

Answer => D

69. Father of time study was

- A.F.W. Taylor
- B.H.L. Gantt
- C.F.B. Gilberth
- D.R.M. Barnes

Answer => A

70. Tick the odd man-out

- A.Taylor
- B.Drucker
- C.McGregor
- D.Galileo

Answer => D

71. Current assets include

- A.Manufacturing plant
- B.Manufacturing plant and equipment
- C.Inventories
- D.Common stock held Iv the firm

Answer => A

72. The objective of time study is to determine the time required to complete a job by

- A.Fast worker
- B.Average worker
- C.Slow worker
- D.New entrant

Answer => B

73. Job enrichment technique is applied to

- A.Reduce labour monotony
- B.Overcome boring and demotivating work
- C.Make people happy
- D./all of the above

Answer => D

74. For ship vessel industry the following layout is best suited

- A.Process layout
- B.Product layout
- C.Fixed position layout
- D.Plant layout

Answer => C

75. In Halsey 50-50 plan, output standards are established

- A.By time study -
- B.From previous production records
- C.From one's judgement
- D.All of the above

Answer => B

76. Routing is essential in the following type of industry

- A.Assembly industry
- B.Process industry
- C.Job order industry
- D.Mass production industry

Answer => A

77. An optimum project schedule implies

- A.Optimum utilisation of men, machines and materials
- B.Lowest possible cost and shortest possible time for project
- C.Timely execution of project
- D.To produce best results under given constraints

Answer => B

78. Which one of the following represents a group incentive plan

- A.Scanlon Plan
- B.Rowan Plan
- C.Bedaux Plan
- D.Taylor Differential Piece Rate System

Answer => A

79. In the Halsey 50-50 plan, the following are rewarded more

- A.Past good workers.
- B.Past poor workers
- C.Past average workers
- D.All of the above

Answer => B

80. In the Halsey system of wage incentive plan, a worker is

- A.Paid as per efficiency
- B.Ensured of minimum wages
- C.Not paid any bonus till his efficiency 2 reaches 66
- D.Never a loser

Answer => B

81. 'Value' for value engineering and analysis purposes is defined as

- A.Purchase value
- B.Function/cost.
- C.Depreciated value
- D.Present worth

Answer => B

82. Break-even analysis can be used for

- A.Short run analysis
- B.Long run analysis
- C.Average of above two run analysis
- D.There is no such criterion

Answer => A

83. CPM has following time estimate

- A.One time estimate
- B.Two time estimate
- C.Three time estimate
- D.Four time estimate

Answer => A

84. PERT has following time estimate

- A.One time estimate
- B.Two time estimate
- C.Three time estimate
- D.Filur time estimate

Answer => C

85. plan (one type of group incentive plan), the amount of the profit which employee receives in addition to guaranteed basic pay/wages, is based on :

- A.A standard rating system
- B.A merit rating system
- C.A job" evaluation system
- D.His individual performance

Answer => B

86. Which of the following incentive plans-ensures a part of the swing to the worker-and rest to the employer

- A.Emerson efficiency plan
- B.Taylor plan
- C.Halsey premium plan
- D.Piece rate system

Answer => C

87. Which of the following is not wage incentive plan

- A.Differential piece rate system
- B.Rowan plan
- C.Emerson plan
- D.Taylor plan

Answer => D

88. Which of the following plans motivates supervisors by paying a premium on time saved by workers

- A.Halsey plan
- B.Rowan plan
- C.Haynes plan
- D.Emerson's plan

Answer => C

89. The time required to complete a task is established and a bonus is paid to the worker for every hour he saves from the established time required. This type of incentive plan is known as

- A.Rowan Plan
- B.Bedaux Plan
- C.Taylor Differential Piece rate system
- D.Halsey Premium plan

Answer => D

90. One of the basic essentials of an incentive plan is that

- A.A differential piece rate system should exist
- B.All standards should be based on time studies.
- C.(s) provide incentive to group efficiency performance
- D.All standards should be based on op, timum standar& of production

Answer => B

91. In the Emerson efficiency plan, a worker receives only his daily wage and no bonus is paid till his efficiency reaches

- A.0.5
- B.6.61
- C.0.75
- D.0.8

Answer => B

92. If a worker gets a daily wage of Rs HA, then according to Rowan plan, his maximum daily earnings can be

- A.2 HA
- B.1.33 HA
- C.1.5 HA
- D.1.75 HA

Answer => A

93. In A-B-C control policy, maximum attention is given to

- A.Those items which consume money
- B.Those items which are not readily available
- C.Those items which are in more demand
- D.Those' items which consume more money

Answer => D

94. Which one of the following represents a group incentive plan ?

- A.Halsey Premium Plan
- B.Bedaux Plan
- C.Lincoln Plan
- D.Rowan Plan

Answer => C

95. The mathematical technique for finding the best use of limited resources in an optimum manner is known as

- A.Operation research
- B.Linear programming
- C.Network analysis
- D.Queuing theory

Answer => B

96. In order that linear programming techniques provide valid results

- A.Relations between factors must be linear (positive)
- B.Relations between factors must be linear (negative)
- C.(a) or (b)
- D.Only one factor should change at a time, others remaining constant

Answer => C

97. The linear programming techniques can be applied successfully to industries like

- A.Iron and steel
- B.All of the above.
- C.Oil and chemical
- D.Banking

Answer => B

98. The two-bin system is concerned with

- A.Ordering procedure
- B.Forecasting sales
- C.Production planning
- D.Despatching and expediting

Answer => A

99. The time required to complete a job is established and a bonus is paid to the worker based on the exact % of time saved. This type of incentive plan is known as

- A.Dry work Plan
- B.Rowan Plan.
- C.Taylor Plan
- D.Bedaux Plan

Answer => B

100. Replacement studies are made on the following basis:

- A.Annual cost method
- B.(a) any one of the above.
- C.Total life average method
- D.Present worth method

Answer => B