

## **True-False Questions: Week 1**

### **1. True-False ( $\pm 32$ points)**

To discourage guessing, each correct answer is rewarded with one point, each incorrect answer is penalized with one point, and a question left unanswered is neither rewarded nor penalized. For example, if you answer seven questions out of ten correctly and answer three questions wrong, then your final score will be four. On the other hand, if you had answered only the six questions of which you were sure and left the remaining four questions blank, then your final score would have been six. This policy makes the expected reward for guessing equal to zero.

The questions in each paragraph are always related to the same topic and any assumptions remain valid in this paragraph unless otherwise stated. Questions in different paragraphs have no relationship with each other and assumptions do not remain valid from one paragraph to the next.

Optimizing the logistics function requires the minimization of the transportation costs of the system,  
(T/F)\_\_\_\_(1).

The principle of not assembling a computer system out of standard components until the customer order for the computer has been received is called postponement, (T/F)\_\_\_\_(2).

ABC denotes the business practice of contracting with a different organization for the execution of the logistics tasks, (T/F)\_\_\_\_(3).

A virtual logistics enterprise combines temporarily various logistics service providers and requesters into a single organization for execution of a particular logistics mission, (T/F)\_\_\_\_(4).

The selection of the location for a new distribution center is an operational logistics planning problem,  
(T/F)\_\_\_\_(5).

Direct Shipping is the preferred when the cost reductions associated with eliminating a warehousing step outweigh the increased transportation costs, (T/F)\_\_\_\_(6).

Strategic logistics planning is based on accurate transactional data, (T/F)\_\_\_\_(7).

Logistics provides time and space utility to the organization, (TF) \_\_\_\_ (8).

Logistics is only concerned with interfacing to the customer and customer service organizations, (T/F)\_\_\_\_(9).

Logistics provides the form value to the products in a manufacturing organization, (T/F)\_\_\_\_(10).

ROI denotes an accounting method where all non-direct costs are assigned to individual missions, (T/F)\_\_\_\_(11).

The purchase price of a raw material generally contributes to the variable costs in a logistics network,  
(T/F)\_\_\_\_(12).

The Material Deployment Strategy is concerned with the placement of manufacturing facilities, (T/F)\_\_\_\_(13).

Tactical logistics planning can change the physical configuration of the logistics assets, (T/F)\_\_\_\_(14).

The fundamental objective of a model is to provide better insight or easier manipulation than can be gained from the real-world system, (T/F)\_\_\_\_(15).

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