

# **QUESTIONS:**

### 1. The Cost of Poor Quality & Cost of Good Quality can be combined to calculate what:

- Your Products Target Sales Price
- The Annual Investment in Prevention
- The Total Cost of Quality
- Your Projected Annual Failure Costs

### 2. Which of the following activities are considered a Preventative Cost?

- Testing Prototypes
- Calibrating Equipment
- Performing a Process Audit
- Root Cause Analysis for Internal Scrap

# 3. Which of the 4 Quality Cost categories is the only that is considered a "Cost Avoidance" Activity:

- Preventative Cost
- Appraisal Cost
- Internal Failure Cost
- External Failure Cost

## 4. Place the Quality Cost Categories in order of Least Expensive to Most Expensive:

- Internal Failures, Appraisal, Prevention, External Failures
- Prevention, Appraisal, External Failures, Internal Failures
- Appraisal, Prevention, Internal Failures, External Failures
- Prevention, Appraisal, Internal Failures, External Failures

### 5. In a Quality Cost system, time spent writing a procedure would fall into which cost category:

- Preventative Cost
- Appraisal Cost
- Internal Failure Cost
- External Failure Cost





# CQT Master Class - Chapter 1 Lecture 3 - Exam & Solutions

- 6. Designing and executing a control chart would fall into which Quality Cost Category:
  - Preventative Cost
  - Appraisal Cost
  - Internal Failure Cost
  - External Failure Cost
- 7. The necessity of holding excess inventory to combat uncertainty brought on by fluctuating scrap, production bottlenecks or other issues is a form of which Quality Cost Category:
  - Preventative Cost
  - Appraisal Cost
  - Internal Failure Cost
  - External Failure Cost
- 8. The costs incurred to replace defective products for customers falls into which Quality Cost Category:
  - Preventative Cost
  - Appraisal Cost
  - Internal Failure Cost
  - External Failure Cost
- 9. Your final QC inspection finds that a document has been incorrectly filled out. The cost associated with sending this document back for correction would fall into which Cost Category:
  - Preventative Cost
  - Appraisal Cost
  - Internal Failure Cost
  - External Failure Cost
- 10. The Cost spent achieving an ISO 9000 certification would fall into which category:
  - Preventative Cost
  - Appraisal Cost
  - Internal Failure Cost
  - External Failure Cost





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