**Review of Topic 8**

Self-Check Questions

1. Distinguish between design capacity and effective capacity.
2. What is efficiency?
3. Explain doubling the capacity of a bottleneck may not double the system capacity.
4. Distinguish between process time of a system and process cycle time.
5. What are the assumptions of a breakeven analysis?
6. Under what conditions would a firm want its capacity to lag demand? to lead demand?
7. Describe the five-step process that serves as the basis of the theory of constraint.
8. What are the techniques available to operation managers to deal with a bottleneck operation? Which of these does not decrease process cycle time?