GMAT-Reading-Test 37

# Passage 37

Japanese firms have achieved the highest levels of

manufacturing efficiency in the world automobile

industry. Some observers of Japan have assumed that

Japanese firms use the same manufacturing equipment

**(5)** and techniques as United States firms but have bene-

fited from the unique characteristics of Japanese

employees and the Japanese culture. However, if this

were true, then one would expect Japanese auto plants

in the United States to perform no better than factories

**(10)** run by United States companies. This is not the case,

Japanese-run automobile plants located in the United

States and staffed by local workers have demonstrated

higher levels of productivity when compared with facto-

ries owned by United States companies.

**(15)** Other observers link high Japanese productivity to

higher levels of capital investment per worker. But a

historical perspective leads to a different conclusion.

When the two top Japanese automobile makers

matched and then doubled United States productivity

*(***20)** levels in the mid-sixties, capital investment per

employee was comparable to that of United States

firms. Furthermore, by the late seventies, the amount of

fixed assets required to produce one vehicle was

roughly equivalent in Japan and in the United States.

*(***25)** Since capital investment was not higher in Japan, it had

to be other factors that led to higher productivity.

A more fruitful explanation may lie with Japanese

production techniques. Japanese automobile producers

did not simply implement conventional processes more

**(30)**effectively: they made critical changes in United States

procedures. For instance, the mass-production philos-

ophy of United States automakers encouraged the

production of huge lots of cars in order to utilize fully

expensive, component-specific equipment and to

**(35)**occupy fully workers who have been trained to execute

one operation efficiently. Japanese automakers chose to

make small-lot production feasible by introducing

several departures from United States practices,

including the use of flexible equipment that could be

**(40)** altered easily to do several different production tasks

and the training of workers in multiple jobs.

Automakers could schedule the production of different

components or models on single machines, thereby

eliminating the need to store the buffer stocks of extra

**(45)** components that result when specialized equipment

and workers are kept constantly active.

1. The primary purpose of the passage is to

(A) present the major steps of a process

(B) clarify an ambiguity

(C) chronicle a dispute

(D) correct misconceptions

(E) defend an accepted approach

2. The author suggests that if the observers of Japan

mentioned in line 3 were correct, which of the following

would be the case?

(A) The equipment used in Japanese automobile plants

would be different from the equipment used in

United States plants.

(B) Japanese workers would be trained to do several

different production jobs.

(C) Culture would not have an influence on the

productivity levels of workers.

(D) The workers in Japanese-run plants would have

higher productivity levels regardless of where they

were located.

(E) The production levels of Japanese-run plants located

in the United States would be equal to those of

plants run by United States companies.

3. Which of the following statements concerning the

productivity levels of automakers can be inferred from

the passage?

(A) Prior to the 1960’s, the productivity levels of the top

Japanese automakers were exceeded by those of

United States automakers.

(B) The culture of a country has a large effect on the

productivity levels of its automakers.

(C) During the late 1970’s and early 1980’s,

productivity levels were comparable in Japan and

the United States.

(D) The greater the number of cars that are produced in

a single lot, the higher a plant’s productivity level.

(E) The amount of capital investment made by

automobile manufacturers in their factories

determines the level of productivity.

4. According to the passage, which of the following

statements is true of Japanese automobile workers?

(A) Their productivity levels did not equal those of

United States automobile workers until the late

seventies.

(B) Their high efficiency levels are a direct result of

cultural influences.

(C) They operate component-specific machinery.

(D) They are trained to do more than one job.

(E) They produce larger lots of cars than do workers in

United States factories.

5. Which of the following best describes the organization

of the first paragraph?

(A) A thesis is presented and supporting examples are

provided.

(B) Opposing views are presented, classified, and then

reconciled.

(C) A fact is stated, and an explanation is advanced and

then refuted.

(D) A theory is proposed, considered, and then

amended.

(E) An opinion is presented, qualified, and then

reaffirmed.

6. It can be inferred from the passage that one problem

associated with the production of huge lots of cars is

which of the following?

(A) The need to manufacture flexible machinery and

equipment

(B) The need to store extra components not required for

immediate use

(C) The need for expensive training programs for

workers, which emphasize the development of

facility in several production jobs.

(D) The need to alter conventional mass-production

processes

(E) The need to increase the investment per vehicle in

order to achieve high productivity levels

7. Which of the following statements is supported by

information stated in the passage?

(A) Japanese and United States automakers differ in

their approach to production processes.

(B) Japanese automakers have perfected the use of

single-function equipment.

(C) Japanese automakers invest more capital per

employee than do United States automakers.

(D) United States-owned factories abroad have higher

production levels than do Japanese owned plants in

the United States.

(E) Japanese automakers have benefited from the

cultural heritage of their workers.

8. With which of the following predictive statement

regarding Japanese automakers would the author

most likely agree?

(A) The efficiency levels of the Japanese automakers

will decline if they become less flexible in their

approach to production

(B) Japanese automakers productivity levels double

during the late 1990’s.

(C) United States automakes will originate net

production processes before Japanese automakers

do.

(D) Japanese automakers will hire fewer workers than

will United States automakers because each worker

is required to perform several jobs.

(E) Japanese automakers will spend less on equipment

repairs than will United States automakers because

Japanese equipment can be easily altered.

**ANSWERS**

D

E

A

D

C

B

A

A