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