

**Management Information Systems, 14e, Global Edition (Laudon)**  
**Chapter 2 Global E-Business and Collaboration**

1) A business process in the \_\_\_\_\_ function is producing bills of material.

- A) finance and accounting
- B) human resources
- C) manufacturing and production
- D) research and development
- E) sales and marketing

Answer: C

Page Ref: 76

Difficulty: Easy

AACSB: Reflective thinking

CASE: Content

LO: 2.1: What are business processes? How are they related to information systems?

2) An example of a cross-functional business process is

- A) identifying customers.
- B) transporting the product.
- C) creating a new product.
- D) assembling a product.
- E) paying creditors.

Answer: C

Page Ref: 76

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.1: What are business processes? How are they related to information systems?

3) Identifying customers is a business process handled by the human resources function.

Answer: FALSE

Page Ref: 76

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.1: What are business processes? How are they related to information systems?

4) One example of a business process is shipping a product to a customer.

Answer: TRUE

Page Ref: 76

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Evaluation

LO: 2.1: What are business processes? How are they related to information systems?

5) A(n) \_\_\_\_\_ is a set of logically related activities for accomplishing a specific business result.

Answer: business process

Page Ref: 75

Difficulty: Easy

AACSB: Reflective thinking

CASE: Content

LO: 2.1: What are business processes? How are they related to information systems?

6) What is the connection between organizations, information systems, and business processes?

Answer: Business processes refer to the manner in which work activities are organized, coordinated, and focused to produce a specific business result. They also represent unique ways in which organizations coordinate work, information, and knowledge and the ways in which management chooses to coordinate work. Managers need to pay attention to business processes because they determine how well the organization can execute, and thus are a potential source for strategic success or failures. Although each of the major business functions has its own set of business processes, many other business processes are cross functional. Information systems can help organizations achieve great efficiencies by automating parts of these processes or by helping organizations rethink and streamline them. Firms can become more flexible and efficient by coordinating and integrating their business processes to improve management of resources and customer service.

Page Ref: 75-77

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Synthesis

LO: 2.1: What are business processes? How are they related to information systems?

7) What are cross-functional business processes? Give an example.

Answer: Cross-functional processes are those that require input, cooperation, or coordination between the major business functions in an organization. For instance, when a salesman takes an order, the major business functions of planning, production, inventory control, shipping, accounting, and customer relations will all be involved before the order is completed.

Page Ref: 76-77

Difficulty: Easy

AACSB: Analytical thinking

CASE: Analysis

LO: 2.1: What are business processes? How are they related to information systems?

8) Your aunt has asked you for your suggestions to make her business, a local sandwich shop, more efficient. Describe at least three types of business processes that a sandwich shop has. Can any be better coordinated through the use of information systems?

Answer: The business processes of a sandwich shop would include: Taking orders, making sandwiches, selling to the customer, ordering supplies, opening the store, closing the store, cleaning the store, paying employees, hiring employees, paying creditors and vendors, creating financial statements, paying taxes, managing cash.

Many of these processes could be helped by better information systems, specifically those that require recorded data, such as any financial processes (payments, cash management, taxes, salaries) and information gathered from and distributed to employees.

Page Ref: 75-77

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Synthesis

LO: 2.1: What are business processes? How are they related to information systems?

9) The \_\_\_\_\_ function is responsible for identifying customers.

- A) finance and accounting
- B) human resources
- C) manufacturing and production
- D) sales and marketing
- E) distribution and logistics

Answer: D

Page Ref: 76

Difficulty: Easy

AACSB: Reflective thinking

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

10) If your main supplier was late in delivering goods, which type of system would you use to update your production schedule?

- A) ESS
- B) TPS
- C) MIS
- D) DSS

Answer: B

Page Ref: 78

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

11) You have been hired by a non-profit agency to implement a system to handle their donations. The system must be able to handle and record telephone, SMS, and Internet donations, provide up-to-the-minute reports, and create highly customizable mailing lists. In addition, event fundraisers need to be able to quickly access a donor's information and history. Which of the following systems will best meet these needs?

- A) TPS
- B) TPS with DSS capabilities
- C) TPS with MIS capabilities
- D) TPS with ESS capabilities
- E) DSS with MIS capabilities

Answer: C

Page Ref: 78-84

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Synthesis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

12) To monitor the status of internal operations and the firm's relations with the external environment, managers need \_\_\_\_\_ systems.

- A) decision-support
- B) knowledge
- C) transaction processing
- D) management information

Answer: C

Page Ref: 78

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

13) A(n) \_\_\_\_\_ is typically a major source of data for other systems.

- A) transaction processing system
- B) management information system
- C) executive support system
- D) decision-support system
- E) knowledge management system

Answer: A

Page Ref: 78

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

14) The term "management information systems" designates a specific category of information systems serving

- A) integrated data processing throughout the firm.
- B) transaction process reporting.
- C) employees with online access to historical records.
- D) the information technology function.
- E) middle management functions.

Answer: E

Page Ref: 80

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

15) You would use a(n) \_\_\_\_\_ in order to determine which of your suppliers has the best and worst records for keeping to your production schedule?

- A) MIS
- B) TPS
- C) UPS
- D) DSS
- E) CRM

Answer: A

Page Ref: 79

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

16) A relocation control system that reports summaries on the total moving, house hunting, and home financing costs for employees in all company divisions would fall into the category of

- A) knowledge management systems.
- B) transaction processing systems.
- C) executive support systems.
- D) management information systems.
- E) decision support systems.

Answer: D

Page Ref: 79

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Analysis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

17) Non-typical business problems with causes and effects that are rapidly changing are typically handled by which type of information system?

- A) MIS
- B) TPS
- C) ESS
- D) DSS
- E) KMS

Answer: D

Page Ref: 80

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

18) \_\_\_\_\_ systems are especially suited to situations in which the procedure for arriving at a solution may not be fully defined in advance.

- A) Management information
- B) Transaction processing
- C) Decision-support
- D) Knowledge management
- E) Resource planning

Answer: C

Page Ref: 80

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

19) Which type of system would you use to forecast the return on investment if you used new suppliers with better delivery track records?

- A) ESS
- B) TPS
- C) MIS
- D) CRM
- E) DSS

Answer: E

Page Ref: 80-83

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

20) Which level of the organization are ESS specifically designed to serve?

- A) operational
- B) end-user
- C) middle management
- D) senior management
- E) knowledge workers

Answer: D

Page Ref: 84

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

21) Executive support systems are information systems that support the

- A) long-range planning activities of senior management.
- B) knowledge and data workers in an organization.
- C) decision making and administrative activities of middle managers.
- D) day-to-day processes of production.
- E) transactional needs of the organization.

Answer: A

Page Ref: 84

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

22) Which of the following systems would you expect to deliver integrated, personalized business content through a Web portal interface?

- A) transaction processing systems
- B) executive support systems
- C) management information systems
- D) decision-support systems
- E) supply chain management systems

Answer: B

Page Ref: 84

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

23) To forecast trends in your supplier's industry that could affect your firm over the next five years, you would use a(n)

- A) ESS.
- B) TPS.
- C) MIS.
- D) DSS.
- E) KMS.

Answer: A

Page Ref: 84

Difficulty: Easy

AACSB: Analytical thinking

CASE: Analysis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

24) Which of the following is a highly structured decision?

- A) creating a new product
- B) estimating the effect of changing costs of supply materials
- C) calculating the best trucking routes for product delivery
- D) granting credit to a customer
- E) forecasting new industry trends

Answer: D

Page Ref: 78

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

25) Using the Internet to buy or sell goods is called

- A) e-commerce.
- B) e-business.
- C) an intranet.
- D) an extranet.
- E) digital commerce.

Answer: A

Page Ref: 87

Difficulty: Easy

AACSB: Reflective thinking

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

26) Transaction-level information is essential for operational management to be able to direct the day-to-day operations of the business.

Answer: TRUE

Page Ref: 78

Difficulty: Easy

AACSB: Reflective thinking

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

27) Cross-functional systems are being phased out in favor of systems that support business processes within a single functional group, such as human resources.

Answer: FALSE

Page Ref: 78

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

28) Decision-support systems are most commonly used by the operations management level of an organization.

Answer: FALSE

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Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

29) You would use an MIS to help determine if your business should introduce a new product line.

Answer: FALSE

Page Ref: 80

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

30) For nonroutine decision making, senior managers rely on management information systems.

Answer: FALSE

Page Ref: 80

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

31) Most TPSs use sophisticated mathematical models or statistical techniques.

Answer: FALSE

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Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

32) DSS are used by managers to make decisions about problems that are unusual and not easily specified in advance.

Answer: TRUE

Page Ref: 80

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

33) DSS use internal information as well as information from external sources.

Answer: TRUE

Page Ref: 80

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

34) An organization's MIS and DSS supply an ESS with summarized information.

Answer: TRUE

Page Ref: 84

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

35) Operational managers use ESS primarily to solve specific problems.

Answer: FALSE

Page Ref: 84

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

36) Business \_\_\_\_\_ applications allow managers to interactively work with current and historical data to discover patterns and trends to help their decision.

Answer: intelligence

Page Ref: 79

Difficulty: Moderate

AACSB: Reflective thinking

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

37) An ESS's digital \_\_\_\_\_ displays an array of charts and graphs of a business's key performance indicators.

Answer: dashboard

Page Ref: 84

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

38) A Web interface used to present integrated personalized business content to users is called a(n) \_\_\_\_\_.

Answer: portal

Page Ref: 84

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

39) \_\_\_\_\_ applications integrate information from multiple functions and business processes to enhance the performance of the organization as a whole.

Answer: Enterprise

Page Ref: 85

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

40) Supply chain management systems are described as a(n) \_\_\_\_\_ system because they manage information that flows between different companies.

Answer: interorganizational

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Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

41) The retail home improvement chain you work for, DIY Discount, has noticed that one of its brands of faucets is not selling nearly as well as anticipated. What information systems of the business will you use to determine the reason for the poor sales? Discuss what information you will retrieve from which system. Which of the information systems will be most important for your analysis? Which of the systems will be least important?

Answer: You might query operational level TPS to make sure that the product is actually getting to the stores and being restocked. You could query MIS to see average sales levels according to geography, location, and other factors to see if there are any specific factors affecting the sales. You might query ESS to see if the same faucets are being sold by competitors and what these prices are. You might use DSS to see what factors could increase sales.

Assuming that the faucets are being properly stocked at the stores, the most important systems to query are the managerial-level systems: MIS for summaries of sales records to help pinpoint any other factors; ESS to check competition, and DSS for higher-level analysis to forecast possible solutions.

Page Ref: 78-84

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Evaluation

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

42) Identify and discuss the major types of information systems that serve the main management groups within a business. What are the relationships among these systems?

Answer: The four major categories of information systems are:

1. Transaction processing systems, such as payroll or order processing, track the flow of the daily routine transactions that are necessary to conduct business.
2. Management information systems (MIS) provide the management control level with reports and access to the organization's current performance and historical records. Most MIS reports condense information from TPS and are not highly analytical.
3. Decision-support systems (DSS) support management decisions when these decisions are unique, rapidly changing, and not specified easily in advance. They have more advanced analytical models and data analysis capabilities than MIS and often draw on information from external as well as internal sources.
4. Executive support systems (ESS) support senior management by providing data of greatest importance to senior management decision makers, often in the form of graphs and charts delivered via portals. They have limited analytical capabilities but can draw on sophisticated graphics software and many sources of internal and external information.

The various types of systems in the organization exchange data with one another. TPS are a major source of data for other systems, especially MIS and DSS. ESSs primarily receive data from lower-level systems.

Page Ref: 78-84

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

43) Apex Vacuum, a family-owned manufacturer of budget vacuums, has grown exponentially over the last few years. However, the company is having difficulty preparing for future growth. The only information system used at Apex is an antiquated accounting system. The company has one manufacturing plant located in Arkansas; and three warehouses, in Arkansas, Delaware, and California. The Apex sales force is national, and Apex purchases about a third of its vacuum parts and materials from a single overseas supplier. You have been hired to recommend the information systems Apex should implement in order to maintain their competitive edge. However, there is not enough money for a full-blown, cross-functional enterprise application, and you will need to limit the first step to a single functional area or constituency. What will you choose, and why?

Answer: Student answers will vary. E.g. A TPS focusing on production and manufacturing to keep production costs low while maintaining quality, and for communicating with other possible vendors. The TPS would later be used to feed MIS and other higher level systems.

Page Ref: 78-84

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Synthesis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

44) You have been hired to work with 10 salespeople from different branches of a national business in creating an online training site for new sales employees. Identify six collaboration tools that are available to help the team work together. Which single tool would be the most helpful for the project, in your opinion, and why?

Answer: Collaboration tools include e-mail and instant messaging; social networking; wikis; virtual worlds, collaboration platforms such as virtual meeting systems, Google Apps/Google Sites. The most helpful of these might be a collaboration platform because it would enable people to have discussions, calendars, conferences, and share documents.

Page Ref: 92-99

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Synthesis

LO: 2.2: How do systems serve the different management groups in a business and how do systems that link the enterprise improve organizational performance?

45) What is the most important function of an enterprise application?

A) increasing speed of communicating

B) enabling business functions and departments to share information

C) enabling a company to work collaboratively with customers and suppliers

D) enabling cost-effective e-business processes

E) enabling inventory and supply chain management

Answer: B

Page Ref: 85

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Evaluation

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

46) Which of the following systems is designed to support organization-wide process coordination and integration?

A) decision-support systems

B) management information systems

C) CRM systems

D) enterprise applications

E) supply chain management systems

Answer: D

Page Ref: 85

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

47) A(n) \_\_\_\_\_ system collects data from various key business processes and stores the data in a single, comprehensive data repository, usable by other parts of the business.

- A) transaction
- B) enterprise
- C) automatic reporting
- D) management information
- E) knowledge management

Answer: B

Page Ref: 85

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

48) The four major enterprise applications are

- A) SCMs, CRMs, DSSs, and KMSs.
- B) SCMs, CRMs, ESSs, and KMSs.
- C) enterprise systems, SCMs, DSSs, and CRMs.
- D) enterprise systems, SCMs, CRMs, and KMSs.
- E) TPSs, MISs, DSSs, and ESSs.

Answer: D

Page Ref: 85

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

49) \_\_\_\_\_ systems are also known as enterprise systems.

- A) Resource planning
- B) Enterprise resource planning
- C) Enterprise support
- D) Management information
- E) Decision-support

Answer: B

Page Ref: 85

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

50) FWO's use of SharePoint for project management is an example of using information systems to achieve which business objective?

- A) customer and supplier intimacy
- B) survival
- C) improved decision making
- D) operational excellence

Answer: C

Page Ref: 95

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

51) \_\_\_\_\_ enable management to make better decisions regarding organizing and scheduling sourcing, production, and distribution.

- A) SCMs
- B) TPSs
- C) KMSs
- D) ERPs
- E) MISs

Answer: A

Page Ref: 85

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

52) Which type of system integrates supplier, manufacturer, distributor, and customer logistics processes?

- A) collaborative distribution system
- B) supply-chain management system
- C) reverse logistics system
- D) enterprise planning system
- E) transaction processing system

Answer: B

Page Ref: 85

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

53) To manage relationships with your customers, you would use a(n) \_\_\_\_\_ system.

- A) CRM
- B) MIS
- C) CLE
- D) CLU
- E) KMS

Answer: A

Page Ref: 88

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

54) Which of the following is the greatest obstacle in enabling collaboration between employees at different, distant corporate locations?

- A) privacy
- B) permissions
- C) time zones
- D) language
- E) corporate culture

Answer: C

Page Ref: 96

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

55) To consolidate the relevant knowledge and experience in the firm and make it available to improve business processes and management decision making, you would use a(n)

- A) TPS.
- B) extranet.
- C) KMS.
- D) CRM.
- E) MIS.

Answer: C

Page Ref: 86

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

56) A(n) \_\_\_\_\_ social networking tool creates business value by connecting the members of an organization through profiles, updates, and notifications that are tailored to internal corporate uses.

- A) cloud-based
- B) social-commerce
- C) collaborative
- D) remote, asynchronous
- E) enterprise

Answer: E

Page Ref: 95

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

57) You have been hired by Inspiration Inc., to help improve their profit margin. Inspiration Inc. is a business communications consultancy that services many clients in different industries throughout the United States. The end products of the company are customized recommendations for the best use of a client's existing resources for improving internal communications, typically delivered via documentation in different media. The company has approximately 100 consultants, all of whom are located in their central headquarters in Chicago. What system do you recommend to improve the company's business processes and increase their profit margin?

- A) extranet, to enable quick collaboration over the Internet, minimize the time spent communicating with the client, and minimize the amount of paperwork needed
- B) CRM, to maintain easily accessible customer records to minimize the time spent looking for client data
- C) KMS, for minimizing redundant work on similar clients
- D) marketing system, for improving sales levels
- E) TPS, to help manage all daily activities and transactions

Answer: A

Page Ref: 78-87

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Synthesis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

58) You manage the IT department at a small startup Internet advertiser. You need to set up an inexpensive system that allows customers to see real-time statistics such as views and click-throughs about their current banner ads. Which type of system will most efficiently provide a solution?

- A) CRM
- B) enterprise system
- C) extranet
- D) intranet
- E) MIS

Answer: C

Page Ref: 87

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Evaluation

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

59) Which of the following types of system helps coordinate the flow of information between the firm and its suppliers and customers?

- A) intranet
- B) extranet
- C) KMS
- D) TPS
- E) TPS

Answer: B

Page Ref: 87

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

60) Using \_\_\_\_\_ to enable government relationships with citizens, businesses, and other arms of government is called e-government.

- A) the Internet and networking technologies
- B) e-commerce
- C) e-business
- D) any computerized technology
- E) telecommunications

Answer: A

Page Ref: 87-88

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

61) In \_\_\_\_\_, digital technology and the Internet are used to execute the major business processes in the enterprise.

- A) e-commerce
- B) e-business
- C) enterprise applications
- D) MIS
- E) SCM

Answer: B

Page Ref: 87

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

62) Which of the following statements about *collaboration* is *not* true?

- A) In business, a collaboration can last as little as a few minutes.
- B) Business collaboration relies on the formation of teams that are assigned a specific task or goal.
- C) Successful collaboration can be achieved through technology regardless of the organization's culture or structure.
- D) One business benefit of collaboration is improved innovation.
- E) Businesses need special systems for collaboration.

Answer: C

Page Ref: 88

Difficulty: Moderate

AACSB: Reflective thinking

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

63) Which of the following tools would you use to evaluate and choose a collaboration tool for your organization?

- A) virtual meeting system
- B) cloud collaboration
- C) IBM Notes
- D) the collaboration matrix
- E) the time/space collaboration and social tool matrix

Answer: E

Page Ref: 95

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

64) Which of the following decisions requires knowledge based on collaboration and interaction?

- A) How long will it take to manufacture this product?
- B) Should we work with outside vendors on new products and services?
- C) In which geographical locations are our products garnering the most sales?
- D) Which product design is the most efficient for the user in terms of energy use?
- E) How can we produce this product more cheaply?

Answer: B

Page Ref: 88-89

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

65) Which of the following is *not* a business benefit of collaboration?

- A) improved quality
- B) improved financial performance
- C) improved customer service
- D) improved innovation
- E) improved compliance with government regulations

Answer: E

Page Ref: 90-91

Difficulty: Easy

AACSB: Analytical thinking

CASE: Evaluation

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

66) \_\_\_\_\_ allows you to communicate with avatars using text messaging.

- A) A virtual world
- B) Screen sharing
- C) Collaborative writing
- D) A large audience Webinar
- E) Telepresence

Answer: A

Page Ref: 93

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

67) All of the following are reasons for the increased business focus on collaboration and teamwork, *except* for

- A) the need for creating innovative products and services.
- B) growth of "interaction" jobs.
- C) greater global presence.
- D) the need for more efficient work hierarchies.
- E) the need to reduce communication costs.

Answer: D

Page Ref: 88-92

Difficulty: Moderate

AACSB: Reflective thinking

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

68) All of the following statements regarding IBM Notes are true *except* which one?

- A) It began as an e-mail and messaging client.
- B) It is a widely used collaboration tool at larger firms.
- C) It provides capabilities for wikis and microblogging.
- D) It provides tools for full version control of all company documentation.
- E) It is designed to provide security for sensitive corporate information.

Answer: A

Page Ref: 95

Difficulty: Moderate

AACSB: Reflective thinking

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

69) Which of the following is *not* one of the four main classifications for collaboration tools identified by the space/time matrix?

- A) synchronous/colocated
- B) same time/remote
- C) different time/remote
- D) remote/colocated
- E) same time/same place

Answer: D

Page Ref: 96

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

70) \_\_\_\_\_ is a collaboration tool that supports remote (different place), synchronous (same time) collaboration.

- A) Video conferencing
- B) E-mail
- C) A MUD
- D) A wall display
- E) A virtual world

Answer: A

Page Ref: 96

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

71) Production tasks are coordinated through the use of social networks in social business.

Answer: FALSE

Page Ref: 89

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

72) A key word in social business is "conversations."

Answer: TRUE

Page Ref: 90

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

73) Supply chain management systems are more externally oriented than enterprise systems.

Answer: TRUE

Page Ref: 86

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

74) An example of a remote, synchronous collaboration tool is a Skype conference call using VOIP and webcams.

Answer: TRUE

Page Ref: 96

Difficulty: Moderate

AACSB: Information technology

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

75) Global firms can collaborate from different locations at the same time using synchronous collaboration tools.

Answer: TRUE

Page Ref: 96

Difficulty: Easy

AACSB: Information technology

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

76) A Web site that allows citizens to file taxes online is a form of \_\_\_\_\_.

Answer: e-government

Page Ref: 87-88

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Analysis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

77) Describe at least two benefits of using enterprise systems.

Answer: Enterprise systems integrate the firm's key business processes in sales, production, finance, logistics, and human resources into a single software system so that information can flow throughout the organization, improving coordination, efficiency, and decision making. These systems help create a more uniform organization in which everyone uses similar processes and information, and measures their work in terms of organization-wide performance standards. The coordination of the firm's key business processes allows the firm to respond more rapidly to customer demands.

Page Ref: 85-88

Difficulty: Easy

AACSB: Analytical thinking

CASE: Evaluation

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

78) You have been hired by an international architectural firm, with offices in Singapore, Paris, and Mumbai. The firm would like architects and draftspeople from different teams to be able to collaborate efficiently. How will you determine what the best collaboration tools are for their needs?

Answer: The first step in evaluation is to determine what the collaboration challenges are and to locate the firm in the time/space matrix. Secondly, for each block of the matrix that the firm is in, determine what solutions are available from which vendors. Third, analyze the products in terms of their costs and benefits to the firm. Next, identify any risks involved with using the product. Then, seek the help of potential users to identify implementation and training issues. Finally, make a shortlist of tools and invite vendors to make presentations.

Page Ref: 95-99

Difficulty: Difficult

AACSB: Analytical thinking

CASE: Synthesis

LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

79) The principal liaison between the information systems groups and the rest of the organization is a(n)

A) programmer.

B) information systems manager.

C) systems analyst.

D) CTO.

E) CIO.

Answer: C

Page Ref: 99

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

80) A \_\_\_\_\_ is a senior manager who oversees the use of IT in the firm.

A) CEO

B) CFO

C) CIO

D) CTO

E) CKO

Answer: C

Page Ref: 99

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

81) An information systems manager

- A) writes software instructions for computers.
- B) acts as liaison between the information systems group and the rest of the organization.
- C) translates business problems into information requirements.
- D) manages data entry staff.
- E) oversees the company's security policy.

Answer: D

Page Ref: 99

Difficulty: Difficult

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

82) The \_\_\_\_\_ helps design programs and systems to find new sources of knowledge or to make better use of existing knowledge in organizational and management processes.

- A) CTO
- B) CSO
- C) CKO
- D) CPO
- E) CEO

Answer: C

Page Ref: 100

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

83) Which of the following is a firm's CPO responsible for?

- A) ensuring that the company complies with existing data privacy laws
- B) making better use of existing knowledge in organizational and management processes
- C) enforcing the firm's information security policy
- D) overseeing the use of information technology in the firm
- E) acting as liaison between the information systems group and the rest of the company

Answer: A

Page Ref: 100

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

84) A TPS is an information system that keeps track of all of the daily routine transactions of a business.

Answer: TRUE

Page Ref: 78

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

85) An inventory control system is an example of an MIS.

Answer: FALSE

Page Ref: 80

Difficulty: Moderate

AACSB: Information technology

CASE: Analysis

LO: 2.4: What is the role of the information systems function in a business?

86) MIS job growth is projected to be 50% greater than other jobs in the next five years.

Answer: TRUE

Page Ref: 100

Difficulty: Moderate

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

87) The people who write an information system application's software instructions or code are called \_\_\_\_\_.

Answer: programmers

Page Ref: 99

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

88) The people for whom information systems applications are developed are referred to as \_\_\_\_\_.

Answer: end users

Page Ref: 100

Difficulty: Easy

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

89) IT \_\_\_\_\_ refers to the overall decision-making that guides the IT strategy of a firm.

Answer: governance

Page Ref: 101

Difficulty: Difficult

AACSB: Information technology

CASE: Content

LO: 2.4: What is the role of the information systems function in a business?

90) Describe the role of IT governance within the firm.

Answer: IT governance is the management of how the information systems function is organized and handled within the firm. IT governance includes the strategy and policies for using information technology within an organization. It specifies the decision rights and framework for accountability to ensure that the use of information technology supports the organization's strategies and objectives. For example, IT governance decides how decisions implementing and evaluating new systems are made, whether the IT function should be decentralized or centralized, who has power to create and manage systems, and what kind of ROI is expected from systems.

Page Ref: 101

Difficulty: Moderate

AACSB: Analytical thinking

CASE: Analysis

LO: 2.4: What is the role of the information systems function in a business?