Essentials of MIS 12th edition Laudon Test Bank

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Essentials of MIS, 12e **(Laudon)**
Chapter 2 Global E-Business and Collaboration

1) Suppliers, customers, employees, products and services, and _____ are the five basic components with which businesses must deal.
A) the environment
B) manufacturing and production
C) sales and marketing
D) invoices and payments
E) technology
Answer: D
Difficulty: 2: Moderate
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

2) Producing a bill of materials is a responsibility of the _____ function.
A) finance and accounting
B) human resources
C) manufacturing and production
D) sales and marketing
E) technology
Answer: C
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

3) Identifying potential customers for the businesses' products or services is an activity associated with the _____ function.
A) finance and accounting
B) human resources
C) manufacturing and production
D) technology
E) sales and marketing
Answer: E
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

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4) Which of the following is an interorganizational business process?
A) Hiring an employee
B) Identifying a customer
C) Creating financial statements
D) Ordering raw materials
E) Checking product quality
Answer: D
Difficulty: 2: Moderate
AACSB: Analytical Thinking
LO: 2.1: What major features of a business are important for understanding the role of information systems?

5) Employees that assist with paperwork at all levels of the firm are called:
A) data workers.
B) knowledge workers.
C) operational management.
D) service workers.
E) senior managers.
Answer: A
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

6) The three principal levels of hierarchies within a business organization are:
A) senior management, knowledge workers, and service workers.
B) senior management, middle management, and operational management.
C) senior management, data workers, and operational management.
D) senior management, operational management, and workers.
E) senior management, operational management, and data workers.
Answer: B
Difficulty: 2: Moderate
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

7) Key forces in a business's immediate environment include:
A) stockholders.
B) technological innovations.
C) economic conditions.
D) politic conditions.
E) global events.
Answer: A
Difficulty: 3: Challenging
AACSB: Application of Knowledge
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8) Engineers and scientists are examples of:
A) senior management.
B) production workers.
C) knowledge workers.
D) middle management.
E) operational management.
Answer: C
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

9) Which of the following is an example of a key force in a firm's broader, less immediate environment?
A) Competitors
B) Regulations
C) Suppliers
D) Economic trends
E) Customers
Answer: D
Difficulty: 3: Challenging
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

10) Which of the following is *not* a true statement with respect to business processes?
A) Every business can be seen as a collection of business processes.
B) Analyzing business processes can enable you to achieve a clear understanding of how a business actually works.
C) The efficiency of a business firm is not related to its business processes.
D) Information systems can automate many steps in business processes that were formerly performed manually.
E) A business process may involve a unique way in which work, information, and knowledge are coordinated within an organization.
Answer: C
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
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11) Middle management is responsible for directing the day-to-day activities of the business.
Answer: FALSE
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

12) Operational-level manufacturing systems provide transaction-level information that enable monitoring of the daily activities of a business.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Analytical Thinking
LO: 2.1: What major features of a business are important for understanding the role of information systems?

13) Business processes that impede organizational responsiveness are a source of competitive strength for a company.
Answer: FALSE
Difficulty: 3: Challenging
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

14) In a firm hierarchy, responsibility and accountability is concentrated at the top.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Analytical Thinking
LO: 2.1: What major features of a business are important for understanding the role of information systems?

15) A business is a formal organization created to sell services or products at a profit.
Answer: TRUE
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

16) Every business process is tied to one specific functional area.
Answer: FALSE
Difficulty: 2: Moderate
AACSB: Application of Knowledge
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17) Information systems found in nonprofit organizations are typically very similar to those found in private industry.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Application of Knowledge
LO: 2.1: What major features of a business are important for understanding the role of information systems?

18) What is the connection between organizations, information systems, and business processes?
Answer: Business processes are how work is actually performed, step by step, in an organization. An organization can be seen as a collection of business processes. Information systems are used to help the organization execute its business processes. In some cases, an information system might hinder a business process, making it more complex than necessary, or it might greatly improve a business process, moving essential information seamlessly between parts of the organization and different business processes.
Difficulty: 2: Moderate
AACSB: Reflective Thinking; Information Technology; Written and Oral Communication
LO: 2.1: What major features of a business are important for understanding the role of information systems?

19) Define and give an example of a cross-functional business process within a firm.
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. What at first appears to be a simple process, fulfilling an order, turns out to be a very complicated series of business processes that require the close coordination of major functional groups in a firm.
Difficulty: 1: Easy
AACSB: Analytical Thinking; Written and Oral Communication
LO: 2.1: What major features of a business are important for understanding the role of information systems?

20) Why do businesses invest in information systems?
Answer: Businesses invest in information systems as a way to cope with and manage their internal production functions and cope with the demands of key actors in their environments. Specifically, firms invest in information systems to achieve operational excellence (productivity, efficiency, agility); to develop new products and services; to attain customer intimacy and service (continuous marketing, sales, and service; customization and personalization); to improve decision making (accuracy and speed); to achieve competitive advantage; and to ensure survival.
Difficulty: 3: Challenging
AACSB: Application of Knowledge; Written and Oral Communication
LO: 2.1: What major features of a business are important for understanding the role of information systems?

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21) A computerized system that performs and records the daily activities necessary to conduct business is classified as a(n):
A) executive support system.
B) management-level system.
C) decision support system.
D) transaction processing system.
E) business intelligence system.
Answer: D
Difficulty: 1: Easy
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

22) Which type of system would you use to change a production schedule if a key supplier was late in delivering goods?
A) ESS
B) CRM system
C) MIS
D) DSS
E) SCM system
Answer: E
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

23) 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/an:
A) KMS.
B) TPS.
C) ESS.
D) MIS.
E) CRM system
Answer: D
Difficulty: 3: Challenging
AACSB: Analytical Thinking; Information Technology
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24) The term *management information systems* refers to a specific category of information systems serving:
A) integrated data processing throughout the firm.
B) transaction process reporting.
C) senior management.
D) middle management functions.
E) knowledge workers.
Answer: D
Difficulty: 1: Easy
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

25) Which of the following systems are designed to summarize and report on the company's basic operations?
A) KMS
B) DSS
C) ESS
D) TPS
E) MIS
Answer: E
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

26) _____ support making decisions that are unique, rapidly changing, and not easily specified in advance.
A) MIS
B) TPS
C) ESS
D) DSS
E) KWM
Answer: D
Difficulty: 1: Easy
AACSB: Information Technology
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27) Which type of system would you use to determine the five suppliers with the worst record in delivering goods on time?
A) ESS
B) TPS
C) MIS
D) DSS
E) CRM
Answer: C
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

28) Which of the following systems are especially suited to situations in which the procedure for arriving at a solution may not be fully predefined in advance?
A) MIS
B) TPS
C) DSS
D) KMS
E) CRM
Answer: C
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

29) 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) DSS
E) CRM
Answer: D
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
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30) DSS and MIS are also referred to as _____ systems.
A) business information
B) business intelligence
C) executive support
D) business model
E) expert
Answer: B
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

31) An ESS is an information system that supports 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) management of customer relationships.
Answer: A
Difficulty: 1: Easy
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

32) Which type of system would you use to determine what trends in your supplier's industry will affect your firm the most in five years?
A) ESS
B) TPS
C) MIS
D) DSS
E) KWM
Answer: A
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
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33) Which of the following statements about Plan International's new human resources system, as described in the chapter case, is *not* true?
A) It took six months to implement a working system at Plan International's international headquarters.
B) The new system helps manage grants and donations received by Plan International.
C) The new system is cloud-based and delivers information on a secure mobile platform.
D) The new system enables employees to update their own personal information.
Answer: A
Difficulty: 3: Challenging
AACSB: Analytical Thinking; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

34) Which of the following systems are designed to support organization-wide process coordination and integration?
A) DSS
B) MIS
C) CRM
D) Enterprise applications
E) ESS
Answer: D
Difficulty: 1: Easy
AACSB: Application of Knowledge; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

35) A(n) _____ collects data from various key business processes and stores the data in a single comprehensive data repository, usable by many parts of the business.
A) TPS
B) DSS
C) automatic reporting system
D) MIS
E) enterprise system
Answer: E
Difficulty: 2: Moderate
AACSB: Application of Knowledge; Information Technology
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36) What is the most important benefit of an enterprise application?
A) Enabling 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 managers to make better decisions
Answer: B
Difficulty: 3: Challenging
AACSB: Analytical Thinking; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

37) _____ systems integrate and share information from suppliers, manufacturers, distributors, and logistics companies.
A) Collaborative distribution
B) Supply chain management
C) Reverse logistics
D) Enterprise planning
E) Digital dashboard
Answer: B
Difficulty: 1: Easy
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

38) _____ provide information to coordinate all of the business processes that deal with customers in sales, marketing, and service to optimize revenue, customer satisfaction, and customer retention.
A) TPS
B) MIS
C) ESS
D) CPS
E) CRM systems
Answer: E
Difficulty: 1: Easy
AACSB: Information Technology
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39) Which of the following can typically access a company's intranet?
A) The general public
B) The firm's employees
C) The firm's customers
D) The firm's suppliers
E) The firm's outside contractors
Answer: B
Difficulty: 3: Challenging
AACSB: Analytical Thinking; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

40) You manage the Information Systems 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 display ads. Which type of system will most efficiently provide a solution?
A) CRM
B) Enterprise system
C) Extranet
D) Intranet
E) KWM
Answer: C
Difficulty: 2: Moderate
AACSB: Application of Knowledge; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

41) Which of the following refers to the purchase or sale of goods and services over the Internet?
A) E-commerce
B) E-business
C) CRM
D) MIS
E) SCM
Answer: A
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AACSB: Application of Knowledge
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42) The use of digital technology and the Internet to execute the major business processes in the enterprise is called:
A) e-commerce.
B) e-business.
C) enterprise applications.
D) MIS.
E) KWM.
Answer: B
Difficulty: 1: Easy
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

43) You work for a highly successful advertiser that is about to expand nationally. Of utmost importance will be finding a way to store and disseminate its clients' frequently updated branding and style guides throughout the organization. The guides include multiple image files and text documents. What system will best serve these needs?
A) A wiki
B) An extranet with KMS capabilities
C) A TPS with KMS capabilities
D) A telepresence system
E) A virtual world
Answer: B
Difficulty: 3: Challenging
AACSB: Analytical Thinking; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

44) You have been hired by Inspiration Inc. to help improve its profit margin. Inspiration Inc. is a business communications consulting firm that services many clients in different industries throughout the world. The firm provides its clients with customized written recommendations about how to best use the client's existing resources to improve the client's internal communications. The company has approximately 100 consultants, all of whom are located in its central headquarters in Chicago. What system do you recommend to improve Inspiration Inc.'s business processes and increase its profit margin?
A) Extranet, to enable quick collaboration via 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, to minimize redundant work on similar clients
D) Video conferencing system, to improve collaboration
E) MIS, to produce reports on the firm's operations
Answer: A
Difficulty: 3: Challenging
AACSB: Analytical Thinking; Application of Knowledge; Information Technology
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45) The principal purpose of a TPS is to answer nonroutine questions and track the flow of transactions through an organization.
Answer: FALSE
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

46) A TPS helps managers monitor the firm's relations with the external environment.
Answer: TRUE
Difficulty: 3: Challenging
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

47) A payroll system is a typical example of an MIS.
Answer: FALSE
Difficulty: 1: Easy
AACSB: Analytical Thinking; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

48) An MIS typically uses data supplied by a TPS.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

49) An MIS primarily supports routine decision making.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

50) Most MISs use sophisticated mathematical models or statistical techniques.
Answer: FALSE
Difficulty: 2: Moderate
AACSB: Information Technology
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51) Decision-support systems often use information from external sources.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Information Technology
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52) ESSs are designed to serve the middle management of the organization.
Answer: FALSE
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

53) ESSs are designed to incorporate data about external events, but they also draw summarized information from internal MIS and DSS.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

54) ESSs are designed primarily to solve specific problems.
Answer: FALSE
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

55) Information supplied by an enterprise system is structured around cross-functional business processes.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

56) Supply chain management systems are more externally oriented than enterprise systems.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

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57) Enterprise systems do not utilize order transaction data.
Answer: FALSE
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

58) Knowledge management systems and customer relationship management systems are both types of enterprise applications.
Answer: TRUE
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

59) Identify the different types of systems used for the different levels of management in a business.
Answer: The types of information systems used for different levels of management are transaction processing systems (TPS), management information systems (MIS), decision-support systems (DSS), and executive support systems (ESS). TPS, such as payroll or order processing, track the flow of the daily routine transactions that are necessary to conduct business. They are used by operational managers to manage day-to-day operations. MIS summarize and report on the company's basic operations using data supplied by TPS. They provide middle managers with reports on the organization's current performance and are not highly analytical. DSS also support middle management decisions when these decisions are unique, rapidly changing, and not specified easily in advance. They use advanced analytical models and data analysis capabilities and often draw on information from external as well as internal sources. ESS support senior management by providing data of greatest importance to senior management decision makers. ESS provide a generalized computing and communications capacity that can be applied to a changing array of problems. ESS present graphs and data from many sources through an interface that is easy for senior managers to use, often a portal.
Difficulty: 1: Easy
AACSB: Information Technology; Written and Oral Communication
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

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60) Eternal Friend, a family-owned manufacturer of pet caskets, has grown exponentially over the last few years. However, they are having difficulty in preparing for future growth. The only information system used at Eternal Friend is an antiquated accounting system. The company has one manufacturing plant located in Arkansas, and three warehouses, in Arkansas, Delaware, and California. The Eternal Friend sales force is national, and Eternal Friend purchases most of its raw materials from a single overseas supplier. You have been hired to recommend the information systems Eternal Friend should implement in order to maintain their competitive edge. However, there is not enough money for a full scale, cross-functional enterprise application, and you will need to limit the first step to a single management level. What will you choose, and why?
Answer: A TPS, as this is the basis of business systems and used to keep day-to-day operations running smoothly. A TPS will help to keep production costs low while maintaining quality, and can be used for communicating with other possible vendors. The TPS would later be used to feed MIS and other higher level systems when they are installed.
Difficulty: 3: Challenging
AACSB: Application of Knowledge; Information Technology; Written and Oral Communication
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

61) 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.
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology; Written and Oral Communication
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

62) How can a good CRM system increase profits for a company?
Answer: Customer relationship management uses information systems to coordinate all of the business processes surrounding the firm's interactions with its customers. The systems consolidate customer information from multiple sources— telephone, email, wireless devices, traditional sales and marketing systems, and the web—so that the firm can obtain a unified view of a customer. Understanding the customer allows a firm to increase the effectiveness of their marketing campaigns.
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology; Written and Oral Communication
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63) The automotive tire supply company you work for, Tires4U, has noticed that one of its brands of tires is not selling nearly as well as anticipated at most of its locations. For each of the four main types of information systems found in a business, identify a query that might help understand this development. Of the four types of systems, which do you think will be the most helpful and why?
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 tires are being sold by competitors and what these prices are. You might use DSS to see what factors could increase sales. Assuming that the tires are being properly stocked at the stores, the most important system to query is the MIS for summaries of sales records to help pinpoint any other factors, sales and marketing to assure that promotion and pricing is accurate.
Difficulty: 3: Challenging
AACSB: Application of Knowledge; Information Technology; Written and Oral Communication
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

64) What is a digital dashboard, and why are they becoming an increasingly popular tool?
Answer: A digital dashboard displays graphical information and charts of key performance indicators on a single screen. They are becoming increasingly popular because they provide comprehensive and accurate information for decision making that helps managers quickly spot areas that need attention.
Difficulty: 3: Challenging
AACSB: Application of Knowledge; Written and Oral Communication
LO: 2.2: How do systems serve different management groups in a business and how do systems that link the enterprise improve organizational performance?

65) How have the technologies associated with e-business impacted government?
Answer: Governments on all levels are using Internet technology to deliver information and services to citizens, employees, and businesses with which they work. The term e-government refers to the application of the Internet and networking technologies to enable government and public sector agencies' relationships with citizens, businesses, and other arms of government digitally. In addition to improving delivery of government services, e-government can make government operations more efficient and empower citizens by giving them easier access to information and the ability to network digitally with other citizens. For example, citizens in some states can renew their driver's licenses or apply for unemployment benefits online, and the Internet has become a powerful tool for instantly mobilizing interest groups for political action and fund-raising.
Difficulty: 3: Challenging
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66) From your reading of the chapter-opening case study discussing ABB's use of enterprise social networking, which of the following statements best expresses ABB's experience?
A) ABB's primary motivation for replacing its existing corporate intranet was to enhance its security.
B) Implementing Yammer improved employee productivity and collaboration.
C) Efforts to implement Yammer were met with significant resistance from employees.
D) Yammer provided ABB with a single entry point to all the information and tools ABB employees need for their jobs.
Answer: B
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

67) Which of the following types of systems could be used to enable different firms to work collaboratively on a product?
A) Intranet
B) Extranet
C) KMS
D) CRM
E) DSS
Answer: B
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

68) Interaction jobs are those jobs which:
A) require close coordination and collaboration.
B) involve knowledge that can't be put into an information system.
C) are performed typically by operational-level employees.
D) require intense levels of interaction with clients.
E) require an emphasis on innovation.
Answer: A
Difficulty: 2: Moderate
AACSB: Application of Knowledge; Interpersonal Relations and Teamwork
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

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69) In a business environment, the focus of collaboration is to:
A) accomplish the task at hand.
B) provide a sense of community.
C) foster better communication.
D) prevent miscommunication.
E) increase a firm's profit margin.
Answer: A
Difficulty: 2: Moderate
AACSB: Application of Knowledge; Interpersonal Relations and Teamwork
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

70) Which of the following statements is *not* true about collaboration in a business setting?
A) Collaboration may be a short-lived activity, lasting just a few minutes.
B) Collaboration is a many-to-many activity as opposed to a one-to-one or one-to-many activity.
C) Meaningful collaboration requires a supportive business firm culture and the right, decentralized structure.
D) The evidence of the business benefits of collaboration is largely anecdotal.
E) Special types of information systems are available to support collaboration.
Answer: B
Difficulty: 2: Moderate
AACSB: Application of Knowledge; Interpersonal Relations and Teamwork
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

71) Each of the following is required for successful collaboration, *except*:
A) open culture.
B) strong hierarchy.
C) decentralized structure.
D) breadth of collaboration.
E) appropriate collaboration technology.
Answer: B
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Interpersonal Relations and Teamwork
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

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72) A wiki is a type of collaborative:
A) social network.
B) blogging.
C) virtual world.
D) website.
E) MIS.
Answer: D
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

73) Second Life is an example of a(n):
A) virtual world.
B) wiki.
C) social networking site.
D) mind mapping tool.
E) extranet.
Answer: A
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

74) The goal of social commerce applications is to:
A) connect through personal and business profiles.
B) use social media to connect with customers.
C) share opinions about purchasing products or services.
D) upload and share business documents.
E) harness collective knowledge to generate new ideas.
Answer: C
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

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75) What analytical framework discussed in the chapter helps understand and evaluate the benefits and uses of collaboration tools?
A) Cost/use matrix
B) Task/time matrix
C) Space/cost matrix
D) Time/space matrix
E) Time/cost matrix
Answer: D
Difficulty: 2: Moderate
AACSB: Application of Knowledge
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

76) Cisco's WebEx is an example of which of the following types of collaboration tools?
A) Blog
B) Team room
C) Online meeting
D) Group calendar
E) Wiki
Answer: C
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology; Interpersonal Relations and Teamwork
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

77) Which of the following Google tools allows people to engage in group video chat?
A) Google Drive
B) Google Docs
C) Google Apps for Business
D) Google Circles
E) Google Hangouts
Answer: E
Difficulty: 2: Moderate
AACSB: Application of Knowledge
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

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78) Instant messaging, videoconferencing, and shared screens are all examples of _____ collaboration tools.
A) bimodal
B) colocated
C) synchronous
D) spontaneous
E) asynchronous
Answer: C
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

79) Supply chain management systems are considered to be a(n) _____ because they automate the flow of information across company boundaries.
A) KMS
B) enterprise system
C) MIS
D) interorganizational system
E) cross-functional system
Answer: D
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

80) _____ technology allows a videoconference participant to give the appearance of being present at a location other than his or her true physical location.
A) Telepresence
B) Virtual reality
C) Screen sharing
D) Mind mapping
E) Virtual world
Answer: A
Difficulty: 2: Moderate
AACSB: Information Technology; Interpersonal Relations and Teamwork
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

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81) Which of the following best describes the type of information systems FWO implemented, as discussed in the chapter case?
A) ESS
B) DSS
C) TPS
D) KMS
E) Cloud collaboration service
Answer: E
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

82) As discussed in the chapter case, what is the primary reason why Spacebook failed?
A) It was too expensive to implement.
B) It was designed and developed without taking the organization's culture into consideration.
C) It did not include enough collaboration tools.
D) Its user interface was confusing.
E) It was riddled with technical issues.
Answer: B
Difficulty: 3: Challenging
AACSB: Application of Knowledge
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

83) IBM Connections is an example of which of the following?
A) MIS
B) Enterprise social networking tool
C) E-commerce system
D) Intranet
E) Extranet
Answer: B
Difficulty: 2: Moderate
AACSB: Application of Knowledge
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

84) Teams are formal business groups that are created to accomplish a specific task.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Application of Knowledge; Interpersonal Relations and Teamwork
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

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85) The primary goal of social business is to deepen interactions with employees and customers.
Answer: TRUE
Difficulty: 1: Easy
AACSB: Application of Knowledge; Interpersonal Relations and Teamwork
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

86) You are consulting on software purchases for a translation agency whose headquarters are in New Jersey, but who works with translators located globally. Headquarters needs to share documents with translators and groups of translators working on the same documents, who also need to communicate with each other, in real time if possible, as many people are working in different time zones. (1) What is your process for determining the most appropriate collaboration software? (2) In this particular case, what features will you be looking for?
Answer: (1) The first step is to determine what the challenges facing the company are and to place these needs in the time/space matrix—does collaboration need to be synchronous or asynchronous; does it need to be remote or colocated? Once the firm's location in the matrix is determined, you can look for vendor products that fill these needs and analyze the products' cost, features, benefits, risks, training, and implementation issues. A selection of the top contenders can be presented to the company. (2) In this case, we will be looking for products that allow remote interactions that are both synchronous and asynchronous.
Difficulty: 3: Challenging
AACSB: Application of Knowledge; Information Technology; Written and Oral Communication
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

87) Identify and describe at least four business benefits of collaboration. Which do you feel is the most important and why?
Answer: Business benefits from collaboration are (1) productivity; (2) quality; (3) innovation; (4) customer service; and (5) financial performance. Collaboration helps productivity because people working together on a task can complete the task more quickly. It helps quality because people working together will be more able to correct each other's mistakes. It helps innovation because people working in groups come up with more ideas than those working in isolation. It helps customer service because teams can solve customer complaints more quickly together rather than working in isolation. And as a result of all of these benefits, collaboration helps finance, because collaborative firms have superior sales, sales growth, and financial performance. Student evaluations will vary: for example, the most important of the benefits might be: innovation, because new products, services, and means of production are at the heart of being able to outperform your competitors.
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Interpersonal Relations and Teamwork; Written and Oral Communication
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

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88) Why are "conversations" relevant to social business?
Answer: Customers, suppliers, employees, managers, and even oversight agencies continually have conversations about firms, often without the knowledge of the firm or its key actors (employees and managers). Supporters of social business assert that if firms could tune into these conversations, they will strengthen their bonds with consumers, suppliers, and employees, increasing their emotional involvement in the firm.
Difficulty: 3: Challenging
AACSB: Application of Knowledge; Written and Oral Communication
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

89) How does collaborative business culture and business processes differ from "command-and-control" firms?
Answer: In command-and-control organizations, the top leaders determine all the really important matters and then order lower-level employees to execute senior management plans. The job of middle management is to pass messages back and forth up and down the hierarchy. Command-and-control firms require lower-level employees to carry out orders without asking too many questions, with no responsibility to improve processes, and with no rewards for teamwork or team performance. If workgroups need help from another work group, that is something for the bosses to figure out. Employees never communicate horizontally, always vertically, so management can control the process.
A collaborative business culture and business processes are very different. Senior managers are responsible for achieving results but rely on teams of employees to achieve and implement the results. Policies, products, designs, processes, and systems are much more dependent on teams at all levels of the organization to devise, to create, and to build. Teams are rewarded for their performance, and individuals are rewarded for their performance in a team. The function of middle managers is to build the teams, coordinate their work, and monitor their performance. The business culture and business processes are more social. In a collaborative culture, senior management establishes collaboration and teamwork as vital to the organization, and it actually implements collaboration for the senior ranks of the business as well.
Difficulty: 3: Challenging
AACSB: Application of Knowledge; Written and Oral Communication
LO: 2.3: Why are systems for collaboration and social business so important and what technologies do they use?

90) Which of the following is most likely to have direct responsibility for ensuring that his or her company complies with existing data privacy laws?
A) CPO
B) CKO
C) CIO
D) CIP
E) CSO
Answer: A
Difficulty: 2: Moderate
AACSB: Application of Knowledge
LO: 2.4: What is the role of the information systems function in a business?

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91) 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) CIO.
E) CSO.
Answer: C
Difficulty: 2: Moderate
AACSB: Information Technology
LO: 2.4: What is the role of the information systems function in a business?

92) A _____ is a senior manager who oversees the use of IT in the firm.
A) CEO
B) CFO
C) CIO
D) CIT
E) CPO
Answer: C
Difficulty: 1: Easy
AACSB: Application of Knowledge
LO: 2.4: What is the role of the information systems function in a business?

93) Development and support services for a firm's business systems are provided by:
A) IT educational services.
B) IT management services.
C) data management services.
D) IT standards services.
E) application software services.
Answer: E
Difficulty: 3: Challenging
AACSB: Information Technology
LO: 2.4: What is the role of the information systems function in a business?

94) Policies that determine which information technology will be used, when, and how, are provided by:
A) IT educational services.
B) IT management services.
C) application software services.
D) IT standards services.
E) data management services.
Answer: D
Difficulty: 3: Challenging
AACSB: Information Technology
LO: 2.4: What is the role of the information systems function in a business?

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95) Which of the following would a CSO *not* be responsible for?
A) Educating and training users about security
B) Keeping management aware of security threats
C) Maintaining tools chosen to implement security
D) Providing physical security
E) Enforcing the firm's information security policy
Answer: D
Difficulty: 3: Challenging
AACSB: Application of Knowledge
LO: 2.4: What is the role of the information systems function in a business?

96) Which of the following would be primarily responsible for enterprise-wide governance and usage of information to maximize the value of an organization's data?
A) CKO
B) CPO
C) end users
D) CDO
E) CSO
Answer: D
Difficulty: 3: Challenging
AACSB: Application of Knowledge
LO: 2.4: What is the role of the information systems function in a business?

97) Which of the following is *not* a service typically provided by an information systems department?
A) Telecommunications services
B) Physical facilities management services
C) Data management services
D) Project management services
E) Human resources services
Answer: E
Difficulty: 3: Challenging
AACSB: Application of Knowledge
LO: 2.4: What is the role of the information systems function in a business?

98) Systems analysts are highly trained technical specialists who write the software instructions for computers.
Answer: FALSE
Difficulty: 1: Easy
AACSB: Information Technology
LO: 2.4: What is the role of the information systems function in a business?

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99) End users are representatives of departments outside of the information systems group for whom applications are developed.
Answer: TRUE
Difficulty: 2: Moderate
AACSB: Application of Knowledge
LO: 2.4: What is the role of the information systems function in a business?

100) The role of the information systems department in a company is solely to support the needs of other groups as determined by senior managers. Explain why you agree or disagree with this statement.
Answer: Answers will vary, but should include an understanding of the role this department plays in creating new products and services and coordinating organizational change. An example answer is: I disagree with this statement. While a major function of the information systems department is to install, run, and manage the technology infrastructure, another role that it should play is to inform the company about new technologies, suggest capabilities the firm could have based on new or existing technologies, and helping the firm manage business processes and change.
Difficulty: 2: Moderate
AACSB: Analytical Thinking; Information Technology; Written and Oral Communication
LO: 2.4: What is the role of the information systems function in a business?

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