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SKU: 9780135191798-TEST-BANK

Management Information Systems: Managing the Digital Firm, 16e **(Laudon)**
Chapter 2 Global E-business and Collaboration

1) Producing a bill of materials is a business process in which of the following functional areas?
A) Finance and accounting
B) Human resources
C) Manufacturing and production
D) Research and development
E) Sales and marketing
Answer: C
Difficulty: Moderate
AACSB: Reflective thinking
LO: 2-1: What are business processes? How are they related to information systems?

2) Which of the following is an example of a cross-functional business process?
A) Identifying customers
B) Shipping a product
C) Fulfilling a customer order
D) Hiring employees
E) Paying creditors
Answer: C
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-1: What are business processes? How are they related to information systems?

3) Order fulfillment involves all of the following business processes *except*:
A) checking the customer's credit.
B) assembling the product.
C) submitting the order.
D) making customers aware of the product.
E) shipping the product.
Answer: D
Difficulty: Moderate
AACSB: Reflective thinking
LO: 2-1: What are business processes? How are they related to information systems?

4) The _____ function is responsible for making sure customers are aware of the company's products.
A) finance and accounting
B) human resources
C) manufacturing and production
D) sales and marketing
E) distribution and logistics
Answer: D
Difficulty: Easy
AACSB: Reflective thinking
LO: 2-1: What are business processes? How are they related to information systems?

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5) According to the chapter case, Sanofi Pasteur is using Microsoft Yammer for all of the following reasons *except*:
A) give employees more opportunities to innovate.
B) increase product innovations from lower down in the organization.
C) simplify business processes
D) strengthen management controls over employees
E) set up activist groups for change
Answer: D
Difficulty: Challenging
AACSB: Reflective thinking
LO: 2-1: What are business processes? How are they related to information systems?

6) Identifying customers is a business process handled by the marketing function.
Answer: TRUE
Difficulty: Moderate
AACSB: Information technology
LO: 2-1: What are business processes? How are they related to information systems?

7) One example of a business process is shipping a product to a customer.
Answer: TRUE
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-1: What are business processes? How are they related to information systems?

8) 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.
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-1: What are business processes? How are they related to information systems?

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9) 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.
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-1: What are business processes? How are they related to information systems?

10) 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 of these processes be made more efficient through the use of information systems?
Answer: The business processes of a sandwich shop 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, payroll) and information gathered from and distributed to employees.
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-1: What are business processes? How are they related to information systems?

11) If sales of your products declined in a specific region of the country, which of the following types of system would best help you understand why?
A) ESS
B) TPS
C) MIS
D) DSS
E) CRM
Answer: C
Difficulty: Moderate
AACSB: Analytical thinking
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?

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12) You have been hired by a non-profit organization to implement a system to handle donations. The system must be able to handle and record telephone, text, 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
Difficulty: Challenging
AACSB: Analytical thinking
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) To monitor the status of internal operations and the firm's relations with the external environment, managers need which of the following types of system?
A) DSS
B) KWS
C) TPS
D) MIS
E) BIS
Answer: C
Difficulty: Moderate
AACSB: Information technology
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) A(n) _____ is typically a major source of data for other systems.
A) TPS
B) MIS
C) ESS
D) DSS
E) KMS
Answer: A
Difficulty: Moderate
AACSB: Information technology
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15) 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) employees with online access to historical records.
D) the information technology function.
E) middle management functions.
Answer: E
Difficulty: Easy
AACSB: Information technology
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) Which of the following would you use in order to determine which of your suppliers has the best and worst records for meeting your production schedules?
A) MIS
B) TPS
C) UPS
D) DSS
E) CRM
Answer: A
Difficulty: Moderate
AACSB: Analytical thinking
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) A relocation control system that reports summaries on the total moving, house hunting, and home financing costs for employees in all company divisions falls into which of the following categories?
A) KMS
B) TPS
C) ESS
D) MIS
E) DSS
Answer: D
Difficulty: Challenging
AACSB: Analytical thinking
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18) Non-typical business problems with causes and effects that are rapidly changing are typically handled by which of the following types of information system?
A) MIS
B) TPS
C) ESS
D) DSS
E) KMS
Answer: D
Difficulty: Moderate
AACSB: Information technology
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 of the following types of information systems are especially suited to situations in which the procedure for arriving at a solution may not be fully defined in advance?
A) MIS
B) TPS
C) DSS
D) KMS
E) RPS
Answer: C
Difficulty: Moderate
AACSB: Information technology
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 type of information system would you use to forecast the return on investment if your firm planned to switch to a new supplier that offered products at a lower cost?
A) ESS
B) TPS
C) MIS
D) CRM
E) DSS
Answer: E
Difficulty: Moderate
AACSB: Analytical thinking
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21) Which level of the organization is an ESS specifically designed to serve?
A) Operational
B) End-user
C) Middle management
D) Senior management
E) Knowledge workers
Answer: D
Difficulty: Easy
AACSB: Information technology
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) An ESS supports which of the following?
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
Difficulty: Easy
AACSB: Information technology
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) Which of the following systems would you expect to deliver data from external events, and summarized information from internal MIS systems?
A) TPS
B) ESS
C) MIS
D) DSS
E) SCM
Answer: B
Difficulty: Moderate
AACSB: Information technology
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24) Which of the following would you use to forecast trends in your supplier's industry that could affect your firm over the next five years?
A) ESS
B) TPS
C) MIS
D) DSS
E) KMS
Answer: A
Difficulty: Easy
AACSB: Analytical thinking
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) Which of the following is a routine question that might be answered by an MIS system?
A) Creating a new product
B) Estimating the effect of changing costs of supplies
C) Calculating the best trucking routes for product delivery
D) Compare planned to actual sales for each quarter
E) Forecasting new industry trends
Answer: D
Difficulty: Moderate
AACSB: Analytical thinking
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) Using the Internet to buy or sell goods is called:
A) e-commerce.
B) e-business.
C) an intranet.
D) an extranet.
E) e-government.
Answer: A
Difficulty: Easy
AACSB: Reflective thinking
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27) All of the following are examples of business intelligence systems *except* a system that:
A) summarizes and reports on a company's basic operations.
B) tracks the flows of materials in a factory.
C) focuses on problems that are unique and rapidly changing.
D) compares total annual sales figures for specific products to planned targets.
E) addresses nonroutine decisions.
Answer: B
Difficulty: Challenging
AACSB: Reflective thinking
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) Which of the following types of systems typically use a digital dashboard to display an array of charts and graphs of a business's key performance indicators?
A) MIS
B) TPS
C) ESS
D) CRM
E) SCM
Answer: C
Difficulty: Moderate
AACSB: Information technology
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) 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
Difficulty: Challenging
AACSB: Analytical thinking
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30) Which of the following systems is designed to span functional areas, focus on executing business processes across the firm, and include all levels of management?
A) DSS
B) MIS
C) CRM
D) Enterprise applications
E) SCM
Answer: D
Difficulty: Easy
AACSB: Information technology
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) 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 processing
B) enterprise
C) automatic reporting
D) management information
E) knowledge management
Answer: B
Difficulty: Moderate
AACSB: Information technology
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) The four major types of enterprise applications are:
A) SCM, CRM, DSS, and KMS.
B) SCM, CRM, ESS, and KMSs.
C) ERP, SCM, DSS, and CRM.
D) ERP, SCM, CRM, and KMS.
E) TPS, MIS, DSS, and ESS.
Answer: D
Difficulty: Easy
AACSB: Information technology
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33) _____ 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
Difficulty: Easy
AACSB: Information technology
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) Which of the following types of system enables management to make better decisions regarding their suppliers?
A) SCM
B) TPS
C) KMS
D) ERP
E) MIS
Answer: A
Difficulty: Moderate
AACSB: Information technology
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) 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
Difficulty: Moderate
AACSB: Information technology
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36) Which of the following types of system would you use to manage relationships with your customers?
A) CRM
B) MIS
C) CLE
D) CLU
E) KMS
Answer: A
Difficulty: Easy
AACSB: Information technology
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37) Which of the following would you use to consolidate the relevant knowledge and experience in the firm and make it available to improve business processes and management decision making?
A) TPS
B) An extranet
C) KMS
D) CRM
E) MIS
Answer: C
Difficulty: Moderate
AACSB: Information technology
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) You have been hired by BizCom, a business communications consultancy that services many clients in different industries throughout the United States, to help it improve its profit margin. BizCom provides 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 50 consultants, all of whom are located in its central headquarters in Alexandria, Virginia. What type of system do you recommend that BizCom install to improve its business processes and increase its profit margin?
A) An extranet, to enable quick collaboration over the Internet, minimize the time spent communicating with the client, and minimize the amount of paperwork needed
B) A CRM, to maintain easily accessible customer records to minimize the time spent looking for client data
C) A KMS, for minimizing redundant work on similar clients
D) A marketing system, for improving sales levels
E) A TPS, to help manage all daily activities and transactions
Answer: A
Difficulty: Challenging
AACSB: Analytical thinking
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39) 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
Difficulty: Challenging
AACSB: Analytical thinking
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) 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) DSS
Answer: B
Difficulty: Easy
AACSB: Information technology
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) 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
Difficulty: Easy
AACSB: Information technology
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42) 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
Difficulty: Easy
AACSB: Information technology
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) Which of the following statements about the NFL's Player Tracking system, as described in the chapter case, is *not* true?
A) It was designed to share information with fans.
B) It was primarily designed to increase sales of food and beverages
C) It uses RFID sensors to record player movements.
D) It helps coaches make decisions during a game.
E) It was designed to increase fan involvement.
Answer: B
Difficulty: Moderate
AACSB: Analytical thinking; Information technology
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) Transaction-level information is essential for operational management to plan future production levels.
Answer: FALSE
Difficulty: Easy
AACSB: Reflective thinking
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) 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
Difficulty: Moderate
AACSB: Information technology
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?

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46) A DSS is most commonly used by the executive management level of an organization.
Answer: FALSE
Difficulty: Moderate
AACSB: Information technology
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?

47) You would use an MIS to help determine if your business should introduce a new product line.
Answer: FALSE
Difficulty: Moderate
AACSB: Analytical thinking
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?

48) For nonroutine decision making, managers rely on decision support systems.
Answer: TRUE
Difficulty: Moderate
AACSB: Information technology
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?

49) Most transaction processing systems use sophisticated mathematical models or statistical techniques.
Answer: FALSE
Difficulty: Moderate
AACSB: Information technology
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?

50) Managers can use DSS to make decisions about problems that are unusual and not easily specified in advance.
Answer: TRUE
Difficulty: Easy
AACSB: Information technology
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?

51) A DSS uses internal information as well as information from external sources.
Answer: TRUE
Difficulty: Moderate
AACSB: Information technology
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52) An organization's MIS and DSS supply an ESS with summarized information.
Answer: TRUE
Difficulty: Moderate
AACSB: Information technology
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?

53) Operational managers use ESS primarily to solve specific problems.
Answer: FALSE
Difficulty: Moderate
AACSB: Information technology
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?

54) A web interface used to present integrated personalized business content to users is called a portal.
Answer: TRUE
Difficulty: Easy
AACSB: Information technology
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?

55) Enterprise applications integrate information from multiple functions and business processes to enhance the performance of the organization as a whole.
Answer: TRUE
Difficulty: Moderate
AACSB: Information technology
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?

56) An SCM is considered to be an intraorganizational system because it manages information that flows between different companies.
Answer: FALSE
Difficulty: Challenging
AACSB: Information technology
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?

57) Supply chain management systems are one type of interorganizational system.
Answer: TRUE
Difficulty: Challenging
AACSB: Analytical thinking
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58) A TPS is an information system that keeps track of all of the daily routine transactions of a business.
Answer: TRUE
Difficulty: Easy
AACSB: Information technology
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?

59) Customer relationship management systems coordinate all of the business processes that deal with customers in sales, marketing, and service.
Answer: TRUE
Difficulty: Moderate
AACSB: Information technology
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?

60) The pet products chain you work for, Pets Galore, has noticed that one of its brands of dog food 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 dog food is being sold by competitors and what these prices are. You might use DSS to see what factors could increase sales.
Assuming that the dog food is 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.
Difficulty: Challenging
AACSB: Analytical thinking
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61) 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.
Difficulty: Moderate
AACSB: Analytical thinking
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?

62) Zoom Vacuum, a family-owned manufacturer of high-end 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 Zoom is an antiquated accounting system. The company has one manufacturing plant located in Iowa; and three warehouses, in Iowa, New Jersey, and Nevada. The Zoom sales force is national, and Zoom purchases about 25 percent of its vacuum parts and materials from a single overseas supplier. You have been hired to recommend the information systems Zoom 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.
Difficulty: Moderate
AACSB: Analytical thinking
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?

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63) 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: Easy
AACSB: Analytical thinking
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?

64) 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: Challenging
AACSB: Application of knowledge; Written and oral communication
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?

65) 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: Challenging
AACSB: Application of knowledge; Written and oral communication
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?

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66) 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, e-mail, 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: Moderate
AACSB: Analytical thinking; Information technology; Written and oral communication
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?

67) Telepresence technology is primarily designed to:
A) allow managers to observe how employees behave.
B) allow employees to share ideas and plans in real time.
C) provide managers with a tool to visualize corporate performance.
D) store the firm's visual content like videos.
E) enable the sales force to keep track of customer orders.
Answer: B
Difficulty: Moderate
AACSB: Information technology
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

68) 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
Difficulty: 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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69) All of the following are capabilities of enterprise social networking tools *except*:
A) the ability to set up member profiles.
B) the ability to share, store, and manage content.
C) the ability to establish groups and team workspaces.
D) tagging and social bookmarking.
E) supply chain management.
Answer: E
Difficulty: Moderate
AACSB: Information technology
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 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
Difficulty: Challenging
AACSB: Reflective thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

71) 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
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

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72) 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
Difficulty: Challenging
AACSB: Analytical thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

73) 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
Difficulty: Easy
AACSB: Analytical thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

74) _____ 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
Difficulty: Easy
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) 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
Difficulty: Moderate
AACSB: Reflective thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

76) Which of the following statements regarding IBM Notes is *not* true?
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
Difficulty: Moderate
AACSB: Reflective thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

77) 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
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

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78) _____ 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
Difficulty: Challenging
AACSB: Analytical thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

79) According to the chapter case, which of the following statements about Cisco's IX5000 telepresence system is *not* true?
A) No special changes to a room are required to install the IX5000 system.
B) A six-seat IX500 system costs about $500,000.
C) The IX5000 system is able to capture an entire room in fine detail.
D) The IX5000 system needs only half the power, installation time, and data transmission capacity (bandwidth) as Cisco's previous telepresence systems.
E) Produban was the first company to deploy the IX5000 system.
Answer: B
Difficulty: Moderate
AACSB: Reflective thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

80) Crowdsourcing is one application of social business.
Answer: TRUE
Difficulty: Moderate
AACSB: Information technology
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

81) A key word in social business is "conversations."
Answer: TRUE
Difficulty: 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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82) An example of a remote, synchronous collaboration tool is a Skype conference call using VOIP and webcams.
Answer: TRUE
Difficulty: Moderate
AACSB: Information technology
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

83) Global firms can collaborate from different locations at the same time using synchronous collaboration tools.
Answer: TRUE
Difficulty: Easy
AACSB: Information technology
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

84) You have been hired to work with 8 employees from different branches of a national business to help create a web application to be used to train 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.
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

85) A website that allows citizens to file taxes online is a form of _____.
Answer: e-government
Difficulty: Challenging
AACSB: Analytical thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

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86) 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.
Difficulty: Challenging
AACSB: Analytical thinking
LO: 2-3: Why are systems for collaboration and social business so important, and what technologies do they use?

87) How do 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: 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?

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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: 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) 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
Difficulty: Easy
AACSB: Information technology
LO: 2-4: What is the role of the information systems function in a business?

90) 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
Difficulty: Easy
AACSB: Information technology
LO: 2-4: What is the role of the information systems function in a business?

91) 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
Difficulty: Challenging
AACSB: Information technology
LO: 2-4: What is the role of the information systems function in a business?

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92) 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
Difficulty: Easy
AACSB: Information technology
LO: 2-4: What is the role of the information systems function in a business?

93) 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
Difficulty: Easy
AACSB: Information technology
LO: 2-4: What is the role of the information systems function in a business?

94) All of the following job categories are expected to grow over the next eight years *except*:
A) computer support specialists.
B) software developers.
C) systems analysts.
D) computer programmers.
E) database administrators.
Answer: D
Difficulty: Challenging
AACSB: Reflective thinking
LO: 2-4: What is the role of the information systems function in a business?

95) Which of the following job categories is expected to experience the most growth over the next eight years?
A) Computer support specialists
B) Software engineers
C) Security analysts
D) Computer programmers
E) Database administrators
Answer: C
Difficulty: Challenging
AACSB: Reflective thinking
LO: 2-4: What is the role of the information systems function in a business?

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96) Which of the following statements is *not* true?
A) The number of information system employees is expected to grow by 13 percent through 2026.
B) Between 2019 and 2026, IS/MIS will add about 550,000 jobs.
C) The number of computer programmers is expected to decline by 7 percent through 2026.
D) In general, the technical occupations in IT are showing faster expansion than occupations involved with the management of IT.
E) The growth of online software services and cloud computing is impacting the job prospects for computer programmers.
Answer: D
Difficulty: Challenging
AACSB: Reflective thinking
LO: 2-4: What is the role of the information systems function in a business?

97) The information security analyst job category is among the slower growing IS/MIS occupations.
Answer: FALSE
Difficulty: Challenging
AACSB: Information technology
LO: 2-4: What is the role of the information systems function in a business?

98) The network and system administrator job category is among the fastest growing IS/MIS occupations.
Answer: FALSE
Difficulty: Moderate
AACSB: Reflective thinking
LO: 2-4: What is the role of the information systems function in a business?

99) IT governance refers to the overall decision-making that guides the IT strategy of a firm.
Answer: TRUE
Difficulty: Challenging
AACSB: Information technology
LO: 2-4: What is the role of the information systems function in a business?

100) 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.
Difficulty: Moderate
AACSB: Analytical thinking
LO: 2-4: What is the role of the information systems function in a business?

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