Introduction to Information Systems (Canadian) 5th Edition 5th edition Rainer Test Bank

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Package Title: Practice Questions
Course Title: Rainer, Introduction to Information Systems, Fifth Canadian Edition
Chapter Number: 02
Shuffle: No

Question type: True/False

1) “Business process” is defined as an ongoing collection of related activities that create a product/service for an organization.

Answer: True

Difficulty: Easy
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Section Reference 1: Business Processes
AACSB: Reflective Thinking
Bloomcode: Knowledge

2) All business processes must be owned by one and only one functional area in any organization.

Answer: False

Difficulty: Easy
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Section Reference 1: Business Processes
AACSB: Reflective Thinking
Bloomcode: Comprehension

3) According to McKinsey & Co., the root cause of companies’ inability to align their IT and their business goals is the lack of knowledge and communication.

Answer: True

Difficulty: Medium
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Section Reference 1: Business Processes
AACSB: Technology
Bloomcode: Knowledge

4) BPR stands for Business Process Recovery.

Introduction to Information Systems (Canadian) 5th Edition 5th edition Rainer Test Bank

Answer: False

Difficulty: Easy
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Section Reference 1: Business Process Reengineering, Business Process Improvement, and Business Process Management
AACSB: Technology
Bloomcode: Knowledge

5) Business process management includes methods and tools to support the design, analysis, implementation, management, and optimization of business processes.

Answer: True

Difficulty: Easy
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Section Reference 1: Business Process Reengineering, Business Process Improvement, and Business Process Management
AACSB: Reflective Thinking
Bloomcode: Knowledge

6) An example of globalization is the Canada-United States-Mexico Agreement (CUSMA).

Answer: True

Difficulty: Easy
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Section Reference 1: Business Pressures, Organizational Responses, and Information Technology Support
AACSB: Reflective Thinking
Bloomcode: Knowledge

7) Organizations depend on IT to facilitate their transition to the globalization of their operations.

Answer: True

Difficulty: Easy
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Section Reference 1: Business Pressures, Organizational Responses, and Information Technology Support
AACSB: Reflective Thinking
Bloomcode: Knowledge

8) There are six (6) characteristics of effective business-IT alignment.

Answer: True

Difficulty: Easy
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems
AACSB: Technology
Bloomcode: Knowledge

9) 85% of business and IT executives agree that their companies have adequate alignment between IT and their business.

Answer: False

Difficulty: Medium
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Section Reference 1: Business Pressures, Organizational Responses, and Information Technology Support
AACSB: Reflective Thinking
Bloomcode: Knowledge

10) The Internet reduces the barriers of entry for new competitors in an established industry.

Answer: True

Difficulty: Easy
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems
AACSB: Technology
Bloomcode: Knowledge

11) The Internet can both reduce and increase the bargaining power of suppliers, depending on the specific circumstances.

Answer: True

Difficulty: Easy
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems

AACSB: Technology
Bloomcode: Knowledge

12) Cost leadership strategy is one strategy to gain a competitive advantage.

Answer: True

Difficulty: Easy
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems
AACSB: Reflective Thinking
Bloomcode: Knowledge

13) Selecting and adhering to a single competitive strategy is sufficient to counter all of Porter's five forces and be successful in the long term.

Answer: False

Difficulty: Medium
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems
AACSB: Reflective Thinking
Bloomcode: Knowledge

Question type: Multiple Choice

14) Which of the following are examples of business processes?

a) managing cash receipts
b) collecting sales tax
c) processing bills of material
d) all of these

Answer: d

Difficulty: Easy
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Section Reference 1: Business Processes
AACSB: Reflective Thinking
Bloomcode: Knowledge

15) A(n) ___ is a collection of related activities that produce a product or a service of value to an organization.

a) workflow pattern
b) business process
c) supply chain
d) information system
e) management technique

Answer: b

Difficulty: Easy
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Section Reference 1: Business Processes
AACSB: Technology
Bloomcode: Knowledge

16) Business-IT alignment refers to the synchronization of a company's IT operations with its

a) business processes.
b) business objectives.
c) infrastructure.
d) business environment.

Answer: b

Difficulty: Easy
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems
AACSB: Technology
Bloomcode: Knowledge

17) Business environment pressures can come from which of the following?

a) management restructuring
b) cost reductions
c) political change
d) quality control

Answer: c

Difficulty: Easy
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.

Section Reference 1: Business Pressures, Organizational Responses, and Information Technology Support
AACSB: Reflective Thinking
Bloomcode: Comprehension

18) In today's business environment, it is rare for a company **not** to have a significant Web presence. This trend can be attributed primarily to

a) social responsibility.
b) technological pressures.
c) government regulations.
d) none of these

Answer: b

Difficulty: Easy
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Section Reference 1: Business Pressures, Organizational Responses, and Information Technology Support
AACSB: Reflective Thinking
Bloomcode: Knowledge

19) The term "digital divide" refers to the gap between

a) organizations that utilize wireless technologies and those that do not.
b) individuals who have access to information and communication technologies and those who do not.
c) the IT staff and the other employees who are not IT savvy.
d) both of the following: Organizations that utilize wireless technologies and those that do not; and individuals who have access to information and communication technologies and those who do not.
e) both of the following: Individuals who have access to information and communication technologies and those who do not; and the IT staff and the other employees who are not IT savvy.

Answer: b

Difficulty: Easy
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Section Reference 1: Business Pressures, Organizational Responses, and Information Technology Support
AACSB: Technology
Bloomcode: Knowledge

20) The best-known framework for analyzing competitiveness is

a) Michael Porter's value chain model.
b) Freidman's ten flatteners.

c) Michael Porter's competitive forces model.
d) competitive globalization model.

Answer: c

Difficulty: Easy
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems
AACSB: Reflective Thinking
Bloomcode: Knowledge

21) Two strategies that a company can use to gain a competitive advantage are

a) customer-orientation and operational effective strategy.
b) protection and innovation strategy.
c) mass customization and cost leadership strategy.
d) compliance and innovation strategy.

Answer: a

Difficulty: Easy
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems
AACSB: Reflective Thinking
Bloomcode: Knowledge

Question type: Multiple-Selection

22) The goals of business process reengineering are to (check all that apply)

a) reduce waste.
b) increase customer satisfaction.
c) increase cycle time.
d) increase productivity.
e) optimize operations.

Answer 1: a
Answer 2: b
Answer 3: d
Answer 4: e

Difficulty: Easy
Learning Objective 1: Differentiate between business process reengineering, business process

improvement, and business process management.
Section Reference 1: Business Process Reengineering, Business Process Improvement, and Business Process Management
AACSB: Reflective Thinking
Bloomcode: Knowledge

23) In recent years, companies such as Walmart and *Amazon.com* have offered streaming videos for rent on their websites. This is another example of how new technology has (check all that apply)

a) increased the threat of new entrants.
b) increased the threat of substitute products.
c) increased the supplier's bargaining power.
d) decreased the buyer's bargaining power.

Answer 1: a
Answer 2: b

Difficulty: Medium
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Section Reference 1: Competitive Advantage and Strategic Information Systems
Porter's five competitive forces.
AACSB: Reflective Thinking
Bloomcode: Application

Package Title: Chapter 2, Testbank
Course Title: Rainer, IS 8e
Chapter Number: 2

Question type: Multiple Choice

1)
Maple Leaf Sports & Entertainment (MLSE), sees digital innovation as an integral part of the organization. One of the areas of digital transformation at MLSE is the

a) development of ERPs
b) development and improvement of apps
c) development of blockchain
d) development of E-commerce

Answer: B

Difficulty: Easy
Section Reference 1: Opening Case
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard: AACSB Technology

2) What is the Maple Leaf Sports & Entertainment (MLSE) digital lab called?
a) Future of Sport Lab (FSL)
b) Hockey e-lab (HeL)
c) E-learning MLSE lab
d) Social Media Sports lab

Answer: A

Difficulty: Easy
Section Reference 1: Opening Case
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard: AACSB Technology

3 The Raptors developed an information known as Sports Insights Central and makes use of several of IBM's famous Watson artificial intelligence functionalities. What can the Watson Tradeoff analytics function assemble?

a) Bets from people looking at the most optimal bet for the team
b) A combination of weather reports and games
c) “Dream team” player combinations
d) Business Analytics for team performance

Answer: C

Difficulty: Easy
Section Reference 1: Opening Case
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter’s five competitive forces.
Bloomcode: Knowledge
Standard: AACSB Technology

4) _____ are materials, services, and information that flow through and are transformed as a result of process activities.

a) Employees
b) Inputs
c) Outputs
d) Resources

Answer: b

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

5) _____ are people and equipment that perform process activities.

a) Employees
b) Inputs
c) Outputs
d) Resources

Answer: d

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.

Bloomcode: Knowledge
Standard 1 : AACSB || Technology

6) _____ are the product or service created by the process.

a) Employees
b) Inputs
c) Outputs
d) Resources

Answer: c

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

7) _____ is an example of effectiveness.

a) Automating order entry
b) Increasing customer satisfaction
c) Reducing production time by one day
d) Using RFID to track products

Answer: b

Difficulty: Hard
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Evaluation
Standard 1 : AACSB || Technology

8) _____ is an example of efficiency.

a) Automating order entry
b) Increasing customer satisfaction
c) Improving product quality
d) Reducing employee turnover

Answer: a

Difficulty: Hard
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Evaluation
Standard 1 : AACSB || Technology

9) Procurement processes are NOT completed by _____.

a) accounting
b) purchasing
c) sales
d) warehouse

Answer: c

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

10) Fulfillment processes are NOT completed by _____.

a) accounting
b) purchasing
c) sales
d) warehouse

Answer: b

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

11) With hundreds of these projects on the go, Graham Construction’s success relies on _____

a) technology expertise
b) control of project expenses) leadership
d) funding of Microsoft

Answer: b

Difficulty: Easy
Section Reference 1: IT's About Business 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

12) Graham Construction developed a new information system that allows front line employees to report expenses on the go using their smartphones whenever and wherever they are. The new system allows the company to:

a) faster reimbursements
b) less time-consuming reporting
c) a mobile paperless process
d) all of the above

Answer: c

Difficulty: Easy
Section Reference 1: IT's About Business 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

13) Which of the following problem did the previous system used by Graham Construction present:

a) It was user, approver, and workflow unfriendly, and many expenses were inaccurately coded and many of them were not attributed to the right building project.
b) The previous system was user, approver, and project cost management unfriendly, and many project management activities were not coded properly and many of them were not attributed to the right building project.
c) The previous system was user, approver, and workflow friendly but not functional, and many expenses were inaccurately coded and many of them were not attributed to the right building project.
d)

The previous system was user, approver, and workflow unfriendly, and many expenses were inaccurately calculated and many of them were not credited to the right building project.

Answer: a

Difficulty: Easy
Section Reference 1: IT's About Business 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

14) _____ is the result of optimizing and aligning business processes to fulfill customers' needs, wants, and desires.

a) Customer satisfaction
b) Differentiation
c) Productivity
d) Quality

Answer: a

Difficulty: Medium
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

15) _____ is the result of optimizing operations and supplier processes.

a) Cost reduction
b) Differentiation
c) Productivity
d) Quality

Answer: a

Difficulty: Hard
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

16) _____ is the result of optimizing the manufacturing and logistics processes.

a) Cost reduction
b) Cycle and fulfillment time reduction
c) Productivity
d) Quality

Answer: b

Difficulty: Hard
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

17) _____ is the result of optimizing the design, development, and production processes.

a) Cycle and fulfillment time reduction
b) Differentiation
c) Productivity
d) Quality

Answer: d

Difficulty: Hard
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

18) _____ is the result of optimizing the marketing and innovation processes.

a) Customer satisfaction
b) Cycle and fulfillment time reduction
c) Differentiation
d) Productivity

Answer: c

Difficulty: Hard

Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

19) _____ is the result of optimizing each individuals' work processes.

a) Cycle and fulfillment time reduction
b) Differentiation
c) Productivity
d) Quality

Answer: c

Difficulty: Medium
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

20) _____ uses a "clean sheet" perspective.

a) BPC
b) BPI
c) BPM
d) BPR

Answer: d

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

21) Many organizations find _____ too difficult, too radical, too lengthy, and too comprehensive.

a) BPC
b) BPI

c) BPM
d) BPR

Answer: d

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

22) _____ is an incremental approach that focuses on reducing variation in the process outputs by searching for the root causes of the variation in the process itself or among process inputs.

a) BPC
b) BPI
c) BPM
d) BPR

Answer: b

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

23) BPI is typically performed by _____.

a) clerical workers
b) executives
c) knowledge workers
d) low-level managers

Answer: c

Difficulty: Hard
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Synthesis

Standard 1 : AACSB || Technology

24) Six Sigma is a popular _____ technique.

a) BPC
b) BPI
c) BPM
d) BPR

Answer: b

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

25) The correct order of the BPI phases is _____.

a) analyze, control, define, measure, improve
b) analyze, define, control, improve, and measure
c) define, analyze, measure, control, improve
d) define, measure, analyze, improve, and control

Answer: d

Difficulty: Medium
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

26) In the _____ phase of BPI, the BPI team documents the existing "as is" process activities, process resources, and process inputs and outputs.

a) analysis
b) control
c) define
d) improve
e) measure

Answer: c

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

27) In the _____ phase of BPI, the BPI team identifies relevant process metrics and collects data to understand how the metrics evolve over time.

a) analysis
b) control
c) define
d) improve
e) measure

Answer: e

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

28) In the _____ phase of BPI, the BPI team examines the "as is" process map and the collected data to identify problems with the process and their root causes.

a) analysis
b) control
c) define
d) improve
e) measure

Answer: a

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

29) In the _____ phase of BPI, the BPI team identifies possible solutions for addressing the root causes, maps the resulting "to be" process alternatives, and selects and implements the most appropriate solution.

a) analysis
b) control
c) define
d) improve
e) measure

Answer: d

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

30) In the _____ phase of BPI, the BPI team establishes process metrics and monitors the improved process after the solution has been implemented to ensure the process performance remains stable.

a) analysis
b) control
c) define
d) improve
e) measure

Answer: b

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

31) When you map out how your business currently processes customer orders to figure out how to reduce delivery time, this is part of the _____ phase of BPI.

a) analysis

b) control
c) define
d) improve
e) measure

Answer: c

Difficulty: Medium
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Comprehension, Application
Standard 1 : AACSB || Technology

32) When you figure out that customer orders are delayed because you do not have enough employees picking orders in the warehouse, you are in the _____ phase of BPI.

a) analysis
b) control
c) define
d) improve
e) measure

Answer: a

Difficulty: Medium
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Comprehension, Application
Standard 1 : AACSB || Technology

33) When you decide to start automating order entry by creating a website instead of forcing people to call into Inside Sales to place orders, you are in the _____ phase of BPI.

a) analysis
b) control
c) define
d) improve
e) measure

Answer: d

Difficulty: Medium

Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Comprehension, Application
Standard 1 : AACSB || Technology

34) _____ integrates disparate BPI initiatives to ensure consistent strategy execution.

a) BPC
b) BPM
c) BPR
d) BPS

Answer: b

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

35) Chevron identified their desired outputs and then worked backward by examining the supporting processes. They used a holistic approach that led the company to examine the interdependencies among processes used in different business units. This is a _____ approach.

a) BPC
b) BPI
c) BPM
d) BPR

Answer: d

Difficulty: Easy
Section Reference 1: IT's About Business 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

36) Chevron's initial effort to update its business processes was followed by several smaller, employee-driven _____ initiatives (many that used the Six Sigma improvement methodology).

a) BPC
b) BPI
c) BPM
d) BPR

Answer: b

Difficulty: Easy
Section Reference 1: IT's About Business 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

37) Chevron supported internal improvement efforts by getting its suppliers involved using a unified _____ approach that involved standardizing processes across the entire company and consolidating process information within a central repository.

a) BPC
b) BPI
c) BPM
d) BPR

Answer: c

Difficulty: Easy
Section Reference 1: IT's About Business 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

38) Chevron improved their business processes using _____.

a) BPI then BPM then BPR
b) BPI then BPR then BPM
c) BPM then BPR then BPI
d) BPR then BPI then BPM

Answer: d

Difficulty: Medium
Section Reference 1: IT's About Business 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

39) Globalization is a _____ pressure.

a) market
b) societal
c) technology
d) nonexistent

Answer: a

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

40) Information overload is a _____ pressure.

a) market
b) societal
c) technology
d) nonexistent

Answer: c

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

41) The BYOD phenomenon is a _____ pressure.

a) market
b) societal
c) technology

d) nonexistent

Answer: c

Difficulty: Medium
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

42) The digital divide is an issue associated with a _____ pressure.

a) market
b) societal
c) technology
d) nonexistent

Answer: b

Difficulty: Medium
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

43) Compliance with government regulations is a _____ pressure.

a) market
b) societal
c) technology
d) nonexistent

Answer: b

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

44) _____ is a market pressure.

a) globalization

b) information overload
c) protection against terrorist attacks
d) technological innovation and obsolescence

Answer: a

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

45) _____ is a technology pressure.

a) Globalization
b) Information overload
c) Protection against terrorist attacks
d) Reducing the digital divide

Answer: b

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

46) _____ is a societal pressure.

a) Globalization
b) Information overload
c) Protection against terrorist attacks
d) Technological innovation and obsolescence

Answer: c

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

47) American companies can easily do business with Chinese companies. This is phenomenon is called _____.

a) globalization
b) information overload
c) protection against terrorist attacks
d) technological innovation and obsolescence

Answer: a

Difficulty: Medium
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Application
Standard 1 : AACSB || Technology

48) The internet makes customers _____ powerful; this is a _____ pressure.

a) less; market
b) less; societal
c) more; market
d) more; societal

Answer: c

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

49) _____ represents a huge challenge for IT departments because it means IT loses the ability to fully control and manage employee devices.

a) BYOD
b) ERP
c) RFID
d) TPS

Answer: a

Difficulty: Medium
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge
Standard 1 : AACSB || Technology

50) _____ is a challenge of BYOD.

a) Control
b) Cost
c) Productivity
d) Satisfaction

Answer: a

Difficulty: Hard
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Evaluation
Standard 1 : AACSB || Technology

51) Which of the following is NOT an organizational response to business pressures?

a) Creating a digital divide
b) Developing strategic systems
c) Focusing on customer wants
d) Mass customization

Answer: a

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

52) Ford's original strategy was _____.

a) configured mass customization
b) consumer segmentation
c) mass customization
d) mass production

Answer: d

Difficulty: Hard

Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

53) _____ involves companies providing standard specifications for different consumer groups.

a) Configured mass customization
b) Consumer segmentation
c) Mass customization
d) Mass production

Answer: b

Difficulty: Medium
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

54) _____ is the current strategy for many manufacturers where a company produces a large quantity of items but customizes them to match the needs and preferences of individual customers.

a) Configured mass customization
b) Consumer segmentation
c) Mass customization
d) Mass production

Answer: c

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

55)
Royal Caribbean Cruises is digitally transforming its fleet of 49 ships.
To help drive this transformation, the ships feature a mobile app for passengers and crew that includes:.

a) Online gaming
b) E-commerce
c) Machine learning
d) Enterprise Resource Planning
Answer: C

Difficulty: Easy
Section Reference 1: IT's About Business 2.3
Learning Objective 1: Differentiate among business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard: AACSB Technology

56) Royal Caribbean's ships feature robot WOWbands. These are:
a) Bands that uses radio frequency identification wristbands that allow guests to make on-board purchases and access staterooms.
b) Bands that are used to access internet services
c) Bands that are used to transmit GPS positions in case of emergency situations
d) Bands that are used to broadcast passengers' temperature to monitor health status

Answer: A

Difficulty: Easy
Section Reference 1: IT's About Business 2.3
Learning Objective 1: Differentiate among business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard: AACSB Technology

57) Royal Caribbean is using virtual reality (VR) technology to provide passengers in inside cabins with views of the sea, with this technology passengers can:
a) View cabins before purchasing tickets
b) See these views from their virtual balconies
c) Play at a virtual casino
d) View under the sea

Answer: B

Difficulty: Easy
Section Reference 1: IT's About Business 2.3
Learning Objective 1: Differentiate among business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard: AACSB Technology

58) What can be a reason to enhance customer experience for the integration of a wearable device such as Medallion with Ocean Compass? _____.

a) The integration allows the passenger to order movies for entertainment.
b) The integration allows the company to detect if payment to tickets was made before the passenger boards the ship.
c) With a technology such as machine learning, it is possible to analyze passenger behaviour and provide personalized recommendations
d) This integration allows the user to order drinks and food directly from the wearable device.

Answer: C

Difficulty: Easy
Section Reference 1: IT's About Business 2.3
Learning Objective 1: Differentiate among business process reengineering, business process improvement, and business process management.
Bloomcode: Application
Standard: AACSB Technology

59) Bank of America set up a _____ cloud after the financial crisis of 2007–2008.

a) Hybrid
b) Open
c) Private
d) Public

Answer: c

Difficulty: Easy
Section Reference 1: IT's About Business 2.4
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Learning Objective 2: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

60) Which of the following is NOT a benefit of Bank of America's new software-defined infrastructure cloud?

a) Cost
b) Flexibility

c) Scalability
d) Security

Answer: a

Difficulty: Medium
Section Reference 1: IT's About Business 2.4
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Learning Objective 2: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

61) Bank of America retired more than _____ applications after the financial crisis of 2007–2008.

a) 100
b) 5,000
c) 18,000
d) 100,000

Answer: c

Difficulty: Hard
Section Reference 1: IT's About Business 2.4
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Learning Objective 2: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

62) Information-based industries are most susceptible to which one of Porter's five forces?

a) Threat of entry of new competitors
b) Bargaining power of suppliers
c) Bargaining power of customers
d) Threat of substitute products
e) Rivalry among existing firms in an industry

Answer: d

Difficulty: Easy
Section Reference 1: 2.4

Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

63) Competitive advantage for an organization manifests itself as all of the following except:

a) Lower costs
b) Higher quality
c) Increased time to market
d) Increased profits
e) Increased speed

Answer: c

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

64)
For most companies, the Web _____ the threat that new competitors will enter the market by _____ traditional barriers to entry.

a) Decreases, increasing
b) Increases, decreasing
c) Increases, increasing
d) Decreases, decreasing

Answer: b
Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

65)
_____ is a feature that must be offered by a competing organization in order to survive in the marketplace.

a) Competitive advantage
b) An entry barrier
c) Strategic advantage
d) Rapid time-to-market
e) One-to-one marketing

Answer: b
Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

66)
The threat of competitors' entering the automobile manufacturing industry is _____ because barriers to entry are so _____.

a) Low, low
b) High, high
c) High, low
d) Low, high

Answer: d Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Comprehension
Standard 1 : AACSB || Technology

67) The best-known framework for analyzing competitiveness is _____'s competitive forces model.

a) Job
b) Gates
c) Mintzberg
d) Porter

Answer: d

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

68) Porter's competitive forces model identifies _____ major forces that can endanger or enhance a company's position in a given industry.

a) 3
b) 4
c) 5
d) 6

Answer: c

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

69) The threat of new competitors will enter your market is _____ when entry is easy and _____ when there are significant barriers to entry.

a) high; high
b) high; low
c) low; high
d) low; low

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

70) The threat of new competitors will enter your market is high when entry is _____ and low when there are _____ barriers to entry.

a) easy; few
b) easy; significant
c) hard; few
d) hard; significant

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

71) Supplier power is _____ when buyers have few choices from whom to buy and _____ when buyers have many choices.

a) high; high
b) high; low
c) low; high
d) low; low

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

72) Supplier power is high when buyers have _____ choices from whom to buy and low when buyers have _____ choices.

a) few; few
b) few; many
c) many; few
d) many; many

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

73) Buyer power is _____ when buyers have many choices from whom to buy and _____ when buyers have few choices.

a) high; high
b) high; low
c) low; high
d) low; low

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

74) Buyer power is high when buyers have _____ choices from whom to buy and low when buyers have _____ choices.

a) few; few
b) few; many
c) many; few
d) many; many

Answer: c

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

75) If there are many alternatives to an organization's products or services, then the threat of substitutes is _____; if there are few alternatives, then the threat is _____.

a) high; high
b) high; low
c) low; high
d) low; low

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

76) If there are _____ alternatives to an organization's products or services, then the threat of substitutes is high; if there are _____ alternatives, then the threat is low.

a) few; few
b) few; many
c) many; few
d) many; many

Answer: c

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

77) The threat from rivalry is _____ when there is intense competition among many firms in an industry and _____ when competition is not as intense.

a) high; high
b) high; low
c) low; high
d) low; low

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

78) You have to offer online banking if you want to operate a bank. This is a(n) _____.

a) buyer power
b) entry barrier
c) substitute product
d) supplier power

Answer: b

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Application
Standard 1 : AACSB || Technology

79) Which of the following increases supplier power?

a) Globalization
b) Integrated supply chains
c) Intermediation
d) Internet searching

Answer: b

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Application, Synthesis
Standard 1 : AACSB || Technology

80) Which of the following reduces buyer power?

a) Globalization
b) Loyalty programs
c) Intermediation
d) Internet searching

Answer: b

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Application, Synthesis

Standard 1 : AACSB || Technology

81) Threat of substitute products or services refers to companies _____ the industry; rivalry refers to companies _____ the industry.

a) inside; inside
b) inside; outside
c) outside; inside
d) outside; outside

Answer: c

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Evaluation
Standard 1 : AACSB || Technology

82) _____ industries experience the greatest threat from substitutes.

a) Information-based
b) Manufacturing
c) Product-based
d) Retail

Answer: a

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Application
Standard 1 : AACSB || Technology

83) _____ are the costs, in money and time, imposed by a decision to buy elsewhere.

a) Entry barriers
b) Loyalty programs
c) Substitute products
d) Switching costs

Answer: d

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

84) You live in a small town with only one large retailer. This means there is low _____.

a) buyer power
b) supplier power
c) threat of new entrants
d) threat of substitutes

Answer: a

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Application
Standard 1 : AACSB || Technology

85) Your business manufactures motors. Based on prices and shipping, you only have one business as an option to buy bearings. This means there is high _____.

a) buyer power
b) supplier power
c) threat of new entrants
d) threat of substitutes

Answer: b

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Application
Standard 1 : AACSB || Technology

86) The music and newspaper industries were hurt primarily by _____.

a) buyer power
b) supplier power
c) threat of new entrants
d) threat of substitutes

Answer: d

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Synthesis, Evaluation
Standard 1 : AACSB || Technology

87) Organization's use Porter's competitive forces model to design _____ strategies; they use the value chain model to identify _____ activities to make the greatest impact.

a) general; general
b) general; specific
c) specific; general
d) specific; specific

Answer: b

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

88) Primary activities _____ add value directly to the firm's products or services; support activities _____ add value directly to the firm's products or services.

a) do; do
b) do; do not
c) do not; do
d) do not; do not

Answer: b

Difficulty: Easy
Section Reference 1: 2.4

Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

89) _____ is an example of a support activity for most firms.

a) Inbound logistics
b) Marketing and sales
c) Operations
d) Product and technology development

Answer: d

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

90) _____ is an example of a primary activity for most firms.

a) Human resource management
b) Operations
c) Procurement
d) Product and technology development

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

91) Which of the following has the strategy "I can sell at a lower price than you can"?

a) Cost leader
b) Customer oriented
c) Differentiation
d) Innovation

e) Operational effectiveness

Answer: a

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

92) Walmart's strategy is _____.

a) cost leader
b) customer oriented
c) differentiation
d) innovation

Answer: a

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Application
Standard 1 : AACSB || Technology

93) Which of the following has the strategy "I am better because I am different"?

a) Cost leader
b) Customer oriented
c) Differentiation
d) Innovation
e) Operational effectiveness

Answer: c

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

94) Rolex's strategy is _____.

a) cost leader
b) differentiation
c) innovation
d) operational effectiveness

Answer: b

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Evaluation
Standard 1 : AACSB || Technology

95) Which of the following has the strategy "I'm doing something new and you can't catch up"?

a) Cost leader
b) Customer oriented
c) Differentiation
d) Innovation
e) Operational effectiveness

Answer: d

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

96) Car and technology companies are currently competing over who can offer the first self-driving car. This is an example of a(n) _____ strategy.

a) cost leader
b) customer oriented
c) differentiation
d) innovation
e) operational effectiveness

Answer: d

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Synthesis
Standard 1 : AACSB || Technology

97) Which of the following has the strategy "I can do the same thing more efficiently than you can"?

a) Cost leader
b) Customer oriented
c) Differentiation
d) Innovation
e) Operational effectiveness

Answer: e

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

98) You decide to integrate your supply chain to cut down production time. This is an example of a(n) _____ strategy.

a) cost leader
b) customer oriented
c) differentiation
d) innovation
e) operational effectiveness

Answer: e

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Synthesis
Standard 1 : AACSB || Technology

99) Which of the following has the strategy “I treat my customers better than you do”?

a) Cost leader
b) Customer oriented
c) Differentiation
d) Innovation
e) Operational effectiveness

Answer: b

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter’s five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

100) Which of the following is NOT an example of excellent alignment?

a) Organizations view IT as an engine of innovation that continually transforms the business, often creating new revenue streams.
b) Organizations view their internal and external customers and their customer service function as supremely important.
c) Organizations rotate business and IT professionals across departments and job functions.
d) Organizations allow IT employees to develop overarching goals for the business.
e) Organizations ensure that IT employees understand how the company makes or loses money.
f) Organizations create a vibrant and inclusive company culture.

Answer: d

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter’s five competitive forces.
Bloomcode: Knowledge
Standard 1: AACSB || Technology

101) Robotic pizza delivery currently exists in _____.

a) Africa
b) China
c) Europe
d)The United States

Answer: C

Difficulty: Easy
Section Reference 1: Closing Case
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard: AACSB || Technology

102) In addition to improving their pizzas, _____ improved its ordering process with digital technologies such as a voice-ordering chatbot and a robot delivery system.

a) Domino's
b) Little Caesars
c) Papa John's
d) Pizza Hut

Answer: A

Difficulty: Easy
Section Reference 1: Closing Case
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard: AACSB || Technology

Question Type: True/False

103)
One of the areas of digital transformation at Maple Leaf Sports & Entertainment (MLSE), is the development and improvement of apps such as the Scotiabank Arena app.

Answer: True

Difficulty: Easy
Section Reference 1: Opening Case
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard: AACSB || Technology

104)

Advanced analytics and data presentation technologies help MSLE make the right decisions when hiring players...

Answer: True

Difficulty: Easy
Section Reference 1: Opening Case
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Comprehension
Standard: AACSB || Technology

105) Customers of a business process can be either internal or external to the organization.

Answer: True

Difficulty: Medium
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

106) A retailer is an example of an internal customer to a manufacturer.

Answer: False

Difficulty: Hard
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Synthesis
Standard 1 : AACSB || Technology

107) The two fundamental metrics that organizations employ in assessing their processes are efficiency and effectiveness.

Answer: True

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge

Standard 1 : AACSB || Technology

108) Efficiency focuses on doing things well in the process.

Answer: True

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

109) Effectiveness focuses on doing the things that matter.

Answer: True

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

110) Efficiency focuses on high quality products.

Answer: False

Difficulty: Medium
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Application
Standard 1 : AACSB || Technology

111) Effectiveness focuses on progressing from one activity to another without delay or without wasting money or resources.

Answer: False

Difficulty: Medium
Section Reference 1: 2.1

Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Application
Standard 1 : AACSB || Technology

112) No single functional area is responsible for cross-functional business processes.

Answer: True

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Comprehension
Standard 1 : AACSB || Technology

113) An organization's business processes can be a competitive advantage or disadvantage.

Answer: True

Difficulty: Medium
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

114) For project management, Graham Construction's success relies on the control of project expenses for these projects to be more manageable and within budget
Answer: True

Difficulty: Easy
Section Reference 1: IT's About Business 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

115)
Part of the problem with Graham Construction's with management of project expenses was that employees could not report expenses right away but had to store receipts, save them, and then do the job when they got back to their offices, the next day, and often even weeks later

Answer: True

Difficulty: Easy
Section Reference 1: IT's About Business 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

116) BPI delivers the same huge performance gains promised by BPR.

Answer: False

Difficulty: Medium
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

117) BPI projects tend to be performed from the bottom up while BPR projects tend to involve top-down change mandates.

Answer: True

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

118) Organizations can adopt BPR to sustain BPI efforts over time.

Answer: False

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

119) Organizations can adopt BPM to sustain BPR efforts over time.

Answer: False

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

120) Chevron primarily used BPC to save money.

Answer: False

Difficulty: Easy
Section Reference 1: IT's About Business 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

121) Chevron originally improved supplier relationships to save money on shipping.

Answer: False

Difficulty: Easy
Section Reference 1: IT's About Business 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

122) Chevron used BPR, BPI, and BPM to achieve operational excellence.

Answer: True

Difficulty: Easy
Section Reference 1: IT's About Business 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge
Standard 1 : AACSB || Technology

123) A workforce including more women, single parents, minorities, and persons with disabilities puts societal pressure on organizations.

Answer: False

Difficulty: Hard
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Evaluation
Standard 1 : AACSB || Technology
Standard 1 : AACSB || Diversity

124) The internet makes customers more powerful.

Answer: True

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

125) Mass customization is also called make-to-order.

Answer: True

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

126) E-commerce is a broader concept than e-business.

Answer: False

Difficulty: Medium
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge
Standard 1 : AACSB || Technology

127) E-commerce is the process of buying and selling goods and services.

Answer: True

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

128) For wayfinding, Royal Caribbean relies on its existing networks as well as sensors on passengers' wearable GPS to accurately map where they are on the ship.

Answer: False

Difficulty: Easy
Section Reference 1: IT's About Business 2.3
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard: AACSB Technology

129) The WOW band uses radio frequency identification wristbands that allow guests to make on-board purchases and access staterooms.
Answer: True

Difficulty: Easy
Section Reference 1: IT's About Business 2.3
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard: AACSB || Technology

130) The cruise line of Royal Caribbean Cruises uses Virtual Reality that enables guests to see how they look in various items of clothing sold on board without having to try them on.

Answer: False

Difficulty: Easy

Section Reference 1: IT's About Business 2.3
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard: AACSB || Technology

131) Bank of America standardized its IT infrastructure, streamlined applications, developed customer-focused innovations, and streamlined its physical infrastructure to recover from the financial crisis of 2007–2008.

Answer: True

Difficulty: Easy
Section Reference 1: IT's About Business 2.4
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

132) MSC Cruises uses RFID, NFC, and VR to improve the cruising experience.

Answer: True

Difficulty: Easy
Section Reference 1: IT's About Business 2.3
Learning Objective 1: 2.3
Bloomcode: Knowledge
Standard: AACSB Technology

133) Privacy and security are not an issue on cruise lines since data cannot be transmitted off the ship when it is out to sea.

Answer: False

Difficulty: Easy
Section Reference 1: IT's About Business 2.3
Learning Objective 1: 2.3
Bloomcode: Knowledge
Standard: AACSB Technology

133) When you create a competitive strategy, you must plan your own moves and anticipate and counter your competitors' moves.

Answer: True

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

134) The web has changed Porter's five fundamental forces.

Answer: False

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

135) The web has changed the nature of competition but has not changed Porter's five fundamental forces.

Answer: True

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

136) The overall impact of the web is to increase competition which generally diminishes a firm's profitability.

Answer: True

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge

Standard 1 : AACSB || Technology

137) Threat of substitute products or services and rivalry among existing firms in the industry are the same except that substitute products refers to the internet while rivalry refers to brick-and-mortar stores.

Answer: False

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Application, Synthesis
Standard 1 : AACSB || Technology

138) If there are only two competitors, rivalry will be low.

Answer: False

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Evaluation
Standard 1 : AACSB || Technology

139) Primary activities relate to the production and distribution of the firm's products and services.

Answer: True

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

140) Primary activities do not add value directly to the firm's products or services.

Answer: False

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

141) Support activities create value for which customers are willing to pay.

Answer: False

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

142) Business managers and IT managers always have the same objectives.

Answer: False

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

143) The business and IT departments are often ignorant of the other group's expertise.

Answer: True

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

144) Business and IT employees communicate well with each other.

Answer: False

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

145) Business executives often know little about IT, and IT executives understand the technology but may not understand the real needs of the business.

Answer: True

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

146) Virginia and Idaho allow robotic delivery of products.

Answer: True

Difficulty: Easy
Section Reference 1: Closing Case
Learning Objective 1: 2.2
Bloomcode: Knowledge
Standard: AACSB || Technology

Question type: Text Entry

147) A ___ is an ongoing collection of related activities that create a product or a service of value to the organization, its business partners, and its customers.

Answer: business process

Difficulty: Easy
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.

Bloomcode: Knowledge
Standard 1 : AACSB || Technology

148) Inputs are materials, services, and information that flow through and are transformed as a result of ___.

Answer: process activities

Difficulty: Medium
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

149) Business process ___ is a management technique that includes methods and tools to support the design, analysis, implementation, management, and optimization of business processes.

Answer: management

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

150) Business process ___ is a radical redesign of a business process that improves its efficiency and effectiveness often by beginning with a “clean sheet.”

Answer: reengineering

Difficulty: Easy
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

151) A workforce including more women, single parents, minorities, and persons with disabilities puts ___ pressure on organizations.

Answer: market

Difficulty: Medium
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Comprehension
Standard 1 : AACSB || Technology
Standard 1 : AACSB || Diversity

152) The ___ refers to the wide gap between those individuals who have access to information and communications technology and those who do not.

Answer: digital divide

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

153) ___ is the process of buying and selling goods and services.

Answer: E-commerce

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

154) ___ provide a competitive advantage by helping an organization implement its strategic goals and improve its performance and productivity.

Answer 1: strategic information systems
Answer 2: SISs

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

155) ___ activities relate to the production and distribution of the firm's products and services.

Answer: Primary

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

156) ___ activities do not add value directly to the firm's products or services.

Answer: Support

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

157) Businesses strive to produce products and services at the lowest cost in the industry when they have a ___ strategy.

Answer: cost leadership

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

158) Businesses strive to offer different products, services, or product features than competitors when they have a ___ strategy.

Answer: differentiation

Difficulty: Easy
Section Reference 1: 2.4

Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

159) Businesses introduce new products and services, add new features to existing products and services, or develop new ways to produce them when they have a ___ strategy.

Answer: innovation

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

160) Businesses try to improve the manner in which they execute internal business processes so that they perform these activities more effectively than rivals with a(n) ___ strategy.

Answer: operational effectiveness

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

161) Businesses concentrate on making customers happy with a ___ strategy.

Answer: customer orientation

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

Question Type: Essay

162) List the three areas where information systems play a vital role. What role does technology play in each area? Suppose you purchase a product from Amazon; describe how this purchase would flow through these three areas.

Answer:

Difficulty: Medium
Section Reference 1: 2.1
Learning Objective 1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area.
Bloomcode: Application, Evaluation
Standard 1 : AACSB || Communication
Standard 2 : AACSB || Analytic
Standard 3 : AACSB || Technology
Standard 4 : AACSB || Reflective Thinking
Solution: 1) Executing the process
a. Embedded/intertwined; Process fails without system working
b. Example – if the Amazon crashes, the order wouldn't go through
2) Capturing and storing process data
a. Sometimes happens inside the system but sometimes has to be entered into it
b. Example – this is completely automated for Amazon (no person is involved); this is also part of the recommender system (automatic recommendations for cross-selling)
3) Monitoring process performance
a. Instance level (specific task) or process level (the whole process); evaluation
b. Example – this is how the order is tracked (order status) projected shipping dates, etc.

163) Describe a scenario where BPI, BPM, and BPR would be best for a company. What role do executives play in carrying out these initiatives? What role do factory workers play in carrying out these initiatives?

Answer:

Difficulty: Hard
Section Reference 1: 2.2
Learning Objective 1: Differentiate between business process reengineering, business process improvement, and business process management.
Bloomcode: Analysis, Synthesis
Standard 1 : AACSB || Communication
Standard 2 : AACSB || Analytic
Standard 3 : AACSB || Technology
Solution: 1) BPI = incremental improvements; BPM = maintaining BPI over time; BPR = radical improvements; BPI = getting employees to recommend ways their department could do things better; BPM = ensure business processes are continually aligned with the strategy (meeting frequently with lower management); BPR = implementing a new ERP system

2) Executives = driving BPR and providing incentives for BPM and BPI; factory workers = drive BPI and carry out BPM and BPI

164) What is "green IT"? Why would a company want to pursue "going green" and how could they do it? Do you think it is worth it to "go green"? Why or why not?

Answer:

Difficulty: Hard
Section Reference 1: 2.3
Learning Objective 1: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Comprehension, Analysis, Evaluation
Standard 1 : AACSB || Communication
Standard 2 : AACSB || Analytic
Standard 3 : AACSB || Technology
Standard 4 : AACSB || Reflective Thinking
Solution: 1) Being more socially responsible
2) To address environmental concerns; facilities design and management (sustainable work environments), carbon management (monitor and reduce), international and US environmental laws (follow laws in what buy and how dispose)
3) Yes – it is good for the environment so customers who care about this will buy the product; no – it costs a lot of money for no impact on the bottom line

165) List and describe Porter's five forces. Describe whether the web has increased or decreased each force and why. Suppose you want to open a restaurant in your home town; evaluate this potential business using Porter's Five Forces.

Answer:

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Comprehension, Evaluation
Standard 1 : AACSB || Communication
Standard 2 : AACSB || Analytic
Standard 3 : AACSB || Technology
Solution: 1) Threat of entry of new competitors = the threat that new competitors will enter your market is high when entry is easy and low when there are significant barriers to entry; web = increases because easy to create a website but decreases because first mover will set the standard; restaurant: high for franchises (assuming you have the money to put down for that) but fairly easy to open a restaurant (just need a location, food, tables, etc.), but students could argue for low for some franchises (where it could cost millions of dollars).
2) Bargaining power of suppliers = supplier power is high when buyers have few choices from

whom to buy and low when buyers have many choices; web = increases because integrating supply chain increases switching costs but decreases because it is easier to shop around; restaurant – low (lots of options for buying food – US Foods, Sysco, etc.; easy to hire people for serving)
3) Bargaining power of buyers = buyer power is high when buyers have many choices from whom to buy and low when buyers have few choices; web = decreases because loyalty programs increase switching costs but increases because it is easier to shop around; restaurant – high for large towns where they have lots of places to eat but lower for small towns where there aren't many restaurants
4) Threat of substitute products or services = the threat of substitutes is high when there are many alternatives to an organization's products or services; web = increases because substitutes can be created rapidly where information-based industries have highest threat but decreases if can create switching costs; restaurant – high because people don't have to eat out (they can cook their own food)
5) Rivalry among existing firms in the industry = threat from rivalry is high when there is intense competition among many firms in an industry; web = increases because of transparency; restaurant – this depends on whether or not competition is fierce or not – could have two restaurants that constantly fight to bring in customers or thousands of restaurants who aren't really competing much

166) What is business-IT alignment and why would an organization want to pursue it? What makes alignment so difficult? Thinking about your college or university, does the IT department have a good reputation? Do you think there is a strong alignment between IT and the professors?

Answer:

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 1: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Comprehension, Evaluation
Standard 1 : AACSB || Communication
Standard 2 : AACSB || Analytic
Standard 3 : AACSB || Technology
Solution: Tight integration of the IT function with the organization's strategy, mission, and goals; why — innovation, customer service, business and IT know each other well, reach overarching goals that are clear to everyone, everyone understands how the company makes money, a healthy company culture; difficult = different objectives, ignorant of each other's expertise, lack of communication; evaluation = most IT departments don't have a good reputation and don't have strong alignment