

Chapter 02 - Major Business Initiatives: Gaining Competitive

Chapter 02
Major Business Initiatives: Gaining Competitive

Multiple Choice Questions

1. What is smack shopping according to Mark McGuire?
- A. Online shopping
 - B. Traditional shopping with online customer support
 - C. Online shopping with a quick turnaround sale to an auction site
 - D.** Online collaborative shopping by groups of customers

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 4

Taxonomy: Application and Analysis

2. What is a distribution chain?
- A. The path a product follows once it leaves the warehouse
 - B. The business partners involved with supplying and distributing products or services
 - C.** The path a product or service follows from the originator of it to the consumer
 - D. The distribution list for e-communications established for any product or service

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 4

Taxonomy: Knowledge and Understanding

3. In contemporary business, success depends on minimizing the _____ in an attempt to reduce the costs of producing and selling products or services.

- A. Level of internal communications
- B. Level of customer support
- C. Distribution chain**
- D. Complexity of needed information technology

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Knowledge and Understanding

4. Which of the following activities tracks inventory and information among business processes and across companies?

- A. Supply chain management (SCM)**
- B. Enterprise resource management (ERM)
- C. Business intelligence (BI)
- D. Distribution information systems (DIS)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

5. Which of the following is a method for producing or delivering a product or service just at the time the customer wants it?

- A. Direct sales
- B. Just-in-time manufacturing**
- C. Hyper manufacturing
- D. Immediate production

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

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6. If you were to purchase a car before it was manufactured and the assembly of that car was dictated by your requirements, you would be utilizing which type of manufacturing process?

- A. Customer-driven manufacturing
- B.** Just-in-time manufacturing
- C. Customized construction
- D. Transaction-based production

AACSB: Reflective Thinking Skills
AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 1
Taxonomy: Synthesis and Evaluation

7. Which type of transportation uses multiple channels to transport products from the manufacturing location to the customer destination?

- A. Hyper
- B. Divergent
- C.** Inter-modal
- D. Complex

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 1
Taxonomy: Application and Analysis

8. The complexity of SCM is supported by technology. Which intricate SCM activity needs strong monitoring by SCM systems?

- A. Multi-channel service delivery
- B. Customer tracking
- C.** Inter-modal transportation
- D. Sales force tracking

AACSB: Reflective Thinking Skills
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Difficulty: Hard
Learning Objective: 1
Taxonomy: Synthesis and Evaluation

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9. What is the primary focus of supply chain management (SCM)?

- A. Overall cost leadership
- B. Bottom-line initiative
- C. Run-grow-transform
- D.** Overall cost leadership and bottom-line initiative

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 1

Taxonomy: Knowledge and Understanding

10. Which of the following results from a well-designed supply chain management system?

- A. Enhanced fulfillment of supplies needed for production
- B. Minimizing transportation costs
- C. The smooth production of products
- D.** Well-designed SCM systems can enhance any of these stated activities

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 1

Taxonomy: Knowledge and Understanding

11. In relation to SCM, what is an information partnership?

- A. Sharing production information with potential customers
- B.** Two or more companies cooperating by integrating their IT systems
- C. Competitive suppliers providing production schedules to the manufacturer
- D. Functional areas within your business sharing information

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 1

Taxonomy: Knowledge and Understanding

12. Which type of software dominates the supply chain management (SCM) environment?

- A. Transaction processing
- B. E-collaboration
- C. Front office systems
- D.** Enterprise resource planning

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 1

Taxonomy: Knowledge and Understanding

13. For a moment, imagine yourself visiting your local florist to order flowers for a party you were preparing for. The florist, however, did not have the type of flower arrangement you hoped for but the florist was able to immediately find, order and deliver this arrangement directly to your home from their supplier. What kind of relationship does this represent?

- A.** An information partnership
- B. A collaborative business
- C. Dynamic communication
- D. Customer sharing

AACSB: Reflective Thinking Skills

AACSB: Use of Information Technology

Difficulty: Hard

Learning Objective: 1

Taxonomy: Synthesis and Evaluation

14. Which of the following systems uses information about customers to gain insights into their needs, wants, and behaviors in order to serve them better?

- A. Supply chain management (SCM)
- B. Transaction information processing (TIP)
- C. Enterprise resource management (ERP)
- D.** Customer relationship management (CRM)

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 2

Taxonomy: Knowledge and Understanding

15. Which term describes a business' approach to offering multiple ways in which customers can interact with it?

- A. Customer relationship management (CRM)
- B. Customer collaborative systems (CCS)
- C. Multi-channel service delivery
- D. Multi-path convergence

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 2
Taxonomy: Knowledge and Understanding

16. What is a fundamental goal of CRM systems?

- A. To provide customers with information partnerships
- B. To lower the costs of maintain inventory systems
- C. To manage and track customer interactions
- D. To manage, track, and supply products and services to customers in a timely manner

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 2
Taxonomy: Knowledge and Understanding

17. What is the difference between SCM and CRM?

- A. CRM records information about products and services; SCM records information about customers
- B. CRM stores and processes transactional information; CRM stores and process business intelligence
- C. SCM manages product information; CRM manages customer information
- D. CRM records and processes operational data; SCM records and processes tactical information

AACSB: Reflective Thinking Skills
AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 2
Taxonomy: Synthesis and Evaluation

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18. Is CRM software?

- A. No, it is a total business objective consisting of hardware, software, processes, and goals
- B. Yes, it is the software solutions that make up a CRM system
- C. CRM is a process, not IT
- D. CRM is a way of thinking supported by the culture of business people and customers

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 2

Taxonomy: Application and Analysis

19. Customer relationship management (CRM) systems include which of the following functions?

- A. Sales force automation
- B. Customer service and support
- C. Marketing campaign management and analysis
- D. All of the above

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 2

Taxonomy: Knowledge and Understanding

20. One function in CRM is the sales force automation (SFA) system. What is its purpose?

- A. To track all the steps in the sales process
- B. To track the movements of salespeople so that, at any moment, the company can determine where they are located
- C. To track products as they move from inventory to the customer
- D. To tracks the sales process and the movement of people and products

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 2

Taxonomy: Application and Analysis

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21. What of the following *is not* the primary focus of customer relationship management?

- A. Bottom-line initiative (reducing operating costs)
- B. Differentiation and focus (Porter's three generic strategies)
- C. Top-line initiative (revenue enhancement)
- D. Growing the organization (RGT framework)

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 2

Taxonomy: Knowledge and Understanding

22. Which of the following systems primarily concentrates on the customer?

- A. CRM
- B. ERP
- C. SCM
- D. CCM

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 2

Taxonomy: Knowledge and Understanding

23. IT supports CRM with front and back office systems. Which statement describes a front office system?

- A. The notepad that salespeople use to record customer information while at the customer site
- B. The computer interfaces that collect customers' information and sends it to the main information system
- C. The computer systems that process customer orders and other customer information
- D. The systems that interact with the supply chain management systems

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 2

Taxonomy: Knowledge and Understanding

24. What is the difference between front and back office systems?

- A. Front office systems are external systems; back office systems are internal
- B. Front office systems are Web based; back office systems are built on database systems
- C. Front office systems process information in the beginning of a customer's transaction; back office systems process information at the end of the customer's transaction**
- D. Front office systems focus on getting the sale; back office systems focus on follow-up

AACSB: Reflective Thinking Skills
AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 2
Taxonomy: Synthesis and Evaluation

25. What type of technology is needed to support integrated collaborative work environments, knowledge management, social networking, e-learning, and open-source collaboration?

- A. ERP
- B. V-systems
- C. ICE
- D. E-collaboration**

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 3
Taxonomy: Knowledge and Understanding

26. Which type of online environment supports virtual teams and the online activities they complete?

- A. Integrated collaboration environments (ICEs)**
- B. V-systems
- C. Wiki
- D. Geographical information systems (GIS)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

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27. If you were working on a project with a team whose membership was spread out over the US, Europe, and Asia, you would probably be working on a(n) _____ team.

- A. Multi-spectrum
- B. Shared partnered
- C. Cross-organizational
- D.** Virtual

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 3
Taxonomy: Application and Analysis

28. What term is used to describe teams whose members are located in varied geographical locations and whose work is supported by specialized ICE software?

- A.** Virtual team
- B. Innovative crews
- C. E-teams
- D. ICEware

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

29. Which type of system improves the performance of teams by supporting the sharing and flow of information?

- A. E-communication
- B. E-messaging
- C. Workflow
- D.** Collaborative

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

30. Which type of system facilitates the automation and management of business processes?

- A. E-systems
- B. Workflow**
- C. Alliance
- D. Integrated

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

31. Which of the following terms is used to define all the steps or business rules, from beginning to end, required for a business process?

- A. Business conventions
- B. Workflow**
- C. Work method
- D. Organizational practice

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

32. Which type of information system manages a document through all the stages of its processing?

- A. Word processing system
- B. Database management system
- C. File management system
- D. Document management system**

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

33. Which type of system supports the capturing, organizing, and dissemination of knowledge throughout the organization?

- A. Database management (DBM) system
- B. Knowledge management (KM) system**
- C. Business Intelligence (BI) system
- D. Brainpower.com

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

34. The objective of a _____ system is to ensure that the knowledge contained within the minds of the employees is available to that organization.

- A. Database management
- B. Business intelligence
- C. Information
- D. Knowledge management**

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 3
Taxonomy: Application and Analysis

35. If you were to create, read, or respond to a blog on Facebook, you would be working with which of the following applications?

- A. Knowledge management
- B. Social networking site**
- C. E-Communication
- D. E-Community

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 3
Taxonomy: Knowledge and Understanding

36. What is the difference between a social networking site and a social networking system?

- A. A social networking site is a physical location; a social networking system is a virtual location
- B.** A social networking site is a virtual place to socialize; a social networking system is the tools that link you to people
- C. A social networking is a local space; a social networking is a global space
- D. The two phrases can be used interchangeably

AACSB: Reflective Thinking Skills
AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 3
Taxonomy: Synthesis and Evaluation

37. Do businesses use social networking systems?

- A. Not during business hours or with organizational systems
- B. Contemporary businesses provide space in their systems for socializing but time and space is limited and monitored
- C.** Yes, to connect to influential people from outside your immediate environment or organization
- D. Social networking systems are an emerging technology whose potential is still unknown

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 3
Taxonomy: Application and Analysis

38. What is an e-learning tool?

- A. Online testing environments
- B. Wizards that accompany applications
- C. Online encyclopedias
- D.** IT-enabled systems that facilitate learning

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

39. What is a Wiki?

- A. A product, such as a Webkinz, who is tied to a virtual life through the manufacturer
- B. A Web site that allows you to create, change, or eliminate content**
- C. A reference site for technical information related to the Web; the sites are usually geared towards e-learning
- D. Technology that supports virtual relationships and social networking

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

40. According to the authors, which information technology will change the face of business with respect to finding and making new contacts and facilitating learning?

- A. Wiki
- B. V-learning and e-communication
- C. Social networking and e-learning**
- D. Webcasting and podcasting

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

41. The IT _____ within an organization will determine the philosophical approach to IT development, deployment, and usage.

- A. Strategic management team
- B. Department
- C. Leadership
- D. Culture**

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Knowledge and Understanding

42. The structure of IT develops from the culture within that organization and can develop into what type of approach?

- A. Top-down silo
- B. Matrix
- C. Fully-integrated
- D.** Top-down silo, matrix, or fully-integrated

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 4
Taxonomy: Knowledge and Understanding

43. A _____ IT structure develops from a strong "command and control" management approach.

- A. Fully-integrated
- B. Matrix
- C.** Top-down silo
- D. Most IT structures develop from a strong "command and control" management approach

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 4
Taxonomy: Knowledge and Understanding

44. A _____ IT structure develops from a centralized IT department; one that serves the whole organization and not just a piece of it.

- A.** Top-down silo
- B. Fully-integrated
- C. Matrix
- D. Operational

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Application and Analysis

45. A _____ IT structure develops from decentralized IT functional units; these units support an individual department or functional area.

- A. Fully-integrated
- B. Top-down silo
- C. Operational
- D. Matrix

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Application and Analysis

46. What is the title for the person responsible for overseeing every aspect of an organization's information resource?

- A. CIO (chief information officer)
- B. CTO (chief technology officer)
- C. CSO (chief security officer)
- D. CPO (chief privacy officer)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 4
Taxonomy: Knowledge and Understanding

47. What is the title for the person responsible for overseeing both the underlying IT infrastructure within an organization and the user-facing technologies?

- A. CIO (chief information officer)
- B. CPO (chief privacy officer)
- C. CSO (chief security officer)
- D. CTO (chief technology officer)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 4
Taxonomy: Knowledge and Understanding

48. What is the title for the person responsible for the technical aspects of ensuring the security of information such as the development and use of firewalls, intranets, extranets, and anti-virus software?

- A. CTO (chief technology officer)
- B. CIO (chief information officer)
- C. CPO (chief privacy officer)
- D.** CSO (chief security officer)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 4
Taxonomy: Knowledge and Understanding

49. What is the title for the person responsible for ensuring that information is used in an ethical way and that only the right people have access to certain types of information?

- A.** CPO (chief privacy officer)
- B. CIO (chief information officer)
- C. CTO (chief technology officer)
- D. CSO (chief security officer)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 4
Taxonomy: Knowledge and Understanding

50. If one of your responsibilities within an organization was to determine who had access to employee's social security ID, your title would probably be _____.

- A. CIO (chief information officer)
- B. CTO (chief technology officer)
- C. CSO (chief security officer)
- D.** CPO (chief privacy officer)

AACSB: Reflective Thinking Skills
AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 4
Taxonomy: Synthesis and Evaluation

51. If every technology officer working for your organization reported to you, your title would be _____.

- A. CTO (chief technology officer)
- B. CSO (chief security officer)
- C.** CIO (chief information officer)
- D. CPO (chief privacy officer)

AACSB: Reflective Thinking Skills
AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 4
Taxonomy: Synthesis and Evaluation

52. If you rewarded employees for trying new technologies even if they prove to be unsuccessful, what would you be encouraging?

- A. Increased risk of failure
- B.** Technology innovative failure
- C. Emerging technology
- D. Runaway trains

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 4
Taxonomy: Knowledge and Understanding

53. What is an advantage of being an early adopter of technology?

- A.** Increasing the competitive advantage of the organization
- B. Enhancing the reputation of the organization
- C. Cutting operational costs
- D. Increasing productivity

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Knowledge and Understanding

54. What is the advantage of being a late adopter of technology (wait-and-see organization)?

- A. Minimizing wasted spending and loss of productivity
- B. Increasing market share by grabbing disgruntled customers from the competition
- C. Increasing overall revenues by cutting operational costs
- D. Enhancing the reputation of the organization

AACSB: Reflective Thinking Skills
AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 4
Taxonomy: Synthesis and Evaluation

55. What is an enterprise resource planning (ERP) system?

- A. An integrated software system for every functional area within an organization
- B. A collaborative document management system that stores and manages documents needed by the entire organization
- C. A database management system that maintains information on the information resources for the entire enterprise
- D. A strategic planning methodology that promotes enterprise-wide planning rather than decentralized planning

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 5
Taxonomy: Knowledge and Understanding

56. If you needed direct access to stored information from another functional area within your organization, what type of system would you need?

- A. Legacy information system (LIS)
- B. Data warehouse
- C. Enterprise-wide database management system (E-DBM)
- D. Enterprise resource planning system (ERP)

AACSB: Reflective Thinking Skills
AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 5
Taxonomy: Synthesis and Evaluation

57. What is a legacy information system (LIS)?

- A.** A massive, outdated information system
- B. A powerful DBMS that supports ERP
- C. A Web-based information system that connects the information collected from distinct systems
- D. A retired information system

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 5

Taxonomy: Application and Analysis

58. Which of the following *is not* required of an ERP system?

- A. Modular design
- B.** Decentralized database systems
- C. Integrated functions
- D. Internet-enabled

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 5

Taxonomy: Knowledge and Understanding

59. What is open-source information?

- A. Programming code that is available or open to customers
- B. Information that is linked with the originator of the information and any related sources of information
- C.** Evolving information or information that can be edited by the community that uses it
- D. Information that requires further investigation into its credibility

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 5

Taxonomy: Knowledge and Understanding

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60. Which term describes an approach that produces or delivers a product or service just at the time the customer wants it?

- A. Just-in-time
- B. Supply chain
- C. Distribution chain
- D. Value chain

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

61. Optimizing what ensures that the right quantity of parts arrive at the right time for production or sale?

- A. Logistics
- B. Production
- C. Cost and Price
- D. Fulfillment

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 1
Taxonomy: Application and Analysis

62. Optimizing what keeps the cost of transporting materials as low as possible?

- A. Logistics
- B. Production
- C. Cost and Price
- D. Fulfillment

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 1
Taxonomy: Application and Analysis

63. Which of the following systems can be used to gain insights into the needs, wants, and behaviors of customers?

- A. Sales force automation systems (SFA)
- B. Customer relationship management systems (CRM)**
- C. Transaction processing systems (TPS)
- D. Collaborative information systems (CIS)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 2
Taxonomy: Knowledge and Understanding

64. Which of the following systems can perform sales lead tracking, contact management, and market analysis?

- A. Sales force automation systems (SFA)**
- B. Customer relationship management systems (CRM)
- C. Transaction processing systems (TPS)
- D. Collaborative information systems (CIS)

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 2
Taxonomy: Application and Analysis

65. Which systems are typically used to support customers or sales?

- A. Back office systems
- B. Front office systems**
- C. Side office systems
- D. Information sales systems

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 2
Taxonomy: Knowledge and Understanding

66. Which systems are typically used to fulfill and support customer orders?

- A.** Back office systems
- B. Front office systems
- C. Side office systems
- D. Information sales systems

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 2

Taxonomy: Knowledge and Understanding

67. Which of the following is an IT system that supports the capturing, organization, and dissemination of knowledge?

- A. Business process management system
- B.** Knowledge management system
- C. Workflow system
- D. Automatic workflow system

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 3

Taxonomy: Knowledge and Understanding

True / False Questions

68. The distribution chain is simply the path followed from the distributor of a product or service to the end consumer.

FALSE

AACSB: Use of Information Technology

Difficulty: Hard

Learning Objective: 1

Taxonomy: Application and Analysis

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69. A supply chain management system automates inventory tracking but still requires that information be transferred manually.

FALSE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

70. A back office system is used to fulfill and support customer orders.

TRUE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 2
Taxonomy: Knowledge and Understanding

71. The chief information officer (CIO) is responsible for overseeing every aspect of an organization's information resource.

TRUE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 5
Taxonomy: Application and Analysis

72. The chief security officer is responsible for the ethical use of information within an organization.

FALSE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 5
Taxonomy: Application and Analysis

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73. The chief technology officer is responsible for overseeing both the underlying IT infrastructure within an organization and the user-facing technologies.

TRUE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 5
Taxonomy: Knowledge and Understanding

74. The chief privacy officer is responsible for ensuring that only the people who should see information have access to that information.

TRUE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 5
Taxonomy: Application and Analysis

75. The document management system manages a document through all the stages of its processing.

TRUE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

76. An e-collaboration system supports integrated collaborative work environments, knowledge management, social networking, e-learning, and open-source collaboration.

TRUE

AACSB: Use of Information Technology
Difficulty: Easy
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77. Enterprise resource planning (ERP) systems primarily support the strategic planning processes and the creation of tactical information.

FALSE

AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 5
Taxonomy: Application and Analysis

78. Information partnerships require the integration of IT systems from two or more independent companies.

TRUE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 1
Taxonomy: Application and Analysis

79. Virtual teams work in an integrated collaboration environment (ICE).

TRUE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

80. The IT structure determines the culture within an organization.

FALSE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Application and Analysis

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81. Business intelligence supports the capturing, organization, and dissemination of knowledge throughout an organization.

FALSE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

82. A legacy information system is a powerful system capable of supporting the needs of many functional areas in business.

FALSE

AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 5
Taxonomy: Application and Analysis

83. When a business offers multiple ways in which customers can interact with it, its approach is a multi-channel service delivery.

TRUE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 2
Taxonomy: Knowledge and Understanding

84. Open source information is software for which the code is available and free to the customer.

FALSE

AACSB: Use of Information Technology
Difficulty: Medium
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Taxonomy: Application and Analysis

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85. CRM systems automatically track all of the steps in the sales process.

FALSE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 2
Taxonomy: Knowledge and Understanding

86. Virtual team members are typically located in the same geographic areas.

FALSE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

87. Collaboration systems are designed to support the sharing and flow of information between companies.

FALSE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

88. A social networking site is a virtual space that allows people to build and maintain friendships.

TRUE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 3
Taxonomy: Application and Analysis

89. Domestic supply chains rarely use inter-modal transportation.

FALSE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

90. Revenue and profit are optimized by a well-designed supply chain management.

TRUE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

91. Supply chain management includes fulfillment.

TRUE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

92. A social networking system is the set of links and communication privileges for an online social community.

FALSE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 3
Taxonomy: Application and Analysis

93. When a company encourages its employees to seek new and innovative ways to use technology without punishment of failure, that company supports the theory of Porter's 5 Force Model.

FALSE

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 4

Taxonomy: Application and Analysis

94. A nanonite is a Web site that allows you to create, change, or eliminate content from their site.

FALSE

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 3

Taxonomy: Knowledge and Understanding

95. A "work course" defines all of the steps or business rules, from beginning to end, required for a business process.

FALSE

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 1

Taxonomy: Knowledge and Understanding

96. Customer relationship management systems cannot help you acquire new customers.

FALSE

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 2

Taxonomy: Application and Analysis

Chapter 02 - Major Business Initiatives: Gaining Competitive

97. Customer relationship management should be completely based upon software—there are no other components to consider.

FALSE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 2
Taxonomy: Application and Analysis

98. A CRM system only interfaces with a front office system to better serve the customer.

FALSE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 2
Taxonomy: Application and Analysis

99. Posting a customer payment would be an example of a business process.

TRUE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 2
Taxonomy: Application and Analysis

100. A work course system facilitates the automation and management of business processes.

FALSE

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

Chapter 02 - Major Business Initiatives: Gaining Competitive

101. Both the front office and the back office systems send customer information to the corporate database.

TRUE

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 2
Taxonomy: Application and Analysis

Fill in the Blank Questions

102. The _____ is responsible for overseeing an organization's information resource.

Chief information officer (CIO)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 4
Taxonomy: Knowledge and Understanding

103. _____ occurs when two or more companies cooperate by integrating their IT systems.

Information partnership

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

104. The chief _____ officer is responsible for ensuring that information is used in an ethical way and that only the right people have access to certain types of information.

privacy

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Application and Analysis

Chapter 02 - Major Business Initiatives: Gaining Competitive

105. The chief _____ officer is responsible for overseeing every aspect of an organization's information resources.

information

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Application and Analysis

106. The chief _____ officer is responsible for the technical aspects of ensuring the security of information.

security

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Application and Analysis

107. _____ are groups of buyers on a chat board who collaborate on their online purchases.

Smacks

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Application and Analysis

108. _____ is a method for producing or delivering a product or service at the time the customer wants it.

Just-in-time (JIT)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

109. _____ is the use of multiple channels of transportation used to move products from their source to the customer.

Inter-modal transportation

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 1
Taxonomy: Application and Analysis

110. A _____ system automatically tracks the steps in the sales process.

Sales force automation (SFA)

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

111. If you were to create a list of potential customers for your sales team to contact, you would be undertaking _____.

Sales lead tracking

AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 2
Taxonomy: Synthesis and Evaluation

112. _____ tracks a salesperson contacting habits of potential customers.

Contact management

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 2
Taxonomy: Application and Analysis

113. Business _____ is a standard set of activities to accomplish a specific task.

Process

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 5
Taxonomy: Knowledge and Understanding

114. _____ is the use of technology to support work activities with integrated collaboration environments.

E-collaboration

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

115. _____ are IT-enabled systems that facilitate learning.

E-learning

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

116. The _____ is the path followed from the originator of a product to the end consumer.

distribution chain

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 5
Taxonomy: Knowledge and Understanding

117. _____ is an approach that produces or delivers a product or service just at the time the customer wants it.

Just-in-time

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

118. _____ tracks inventory and information among business processes and across companies.

Supply chain management

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

119. A supply chain management system automates the tracking of _____ and information among business processes and across companies.

Inventory

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

120. A(n) _____ helps companies understand customer needs so that they can serve them better.

customer relationship management system

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 2
Taxonomy: Application and Analysis

Chapter 02 - Major Business Initiatives: Gaining Competitive

121. A(n) _____ tracks all steps in the sales process.

Sales force automation system

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 2

Taxonomy: Knowledge and Understanding

122. A(n) _____ is used to fulfill and support customer orders.

Back office system

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 2

Taxonomy: Knowledge and Understanding

123. A(n) _____ serves as the primary interface for customers and the sales process.

Front office system

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 2

Taxonomy: Knowledge and Understanding

124. A _____ is a web site that allows its visitor to create, edit, change, and even eliminate content from its site.

wiki

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 3

Taxonomy: Knowledge and Understanding

Chapter 02 - Major Business Initiatives: Gaining Competitive

125. A _____ approach to structuring IT often occurs when there is a strong "command and control" management style.

top-down silo

AACSB: Use of Information Technology
Difficulty: Medium
Learning Objective: 4
Taxonomy: Application and Analysis

126. A _____ approach to structure IT often occurs when there are IT personnel working within individual function areas within an organization.

fully-integrated

AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 4
Taxonomy: Synthesis and Evaluation

127. A company must complete all steps in a _____ to complete a business process.

Workflow

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 5
Taxonomy: Knowledge and Understanding

128. A(n) _____ facilitates the automation and management of business processes.

Workflow system

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 2
Taxonomy: Knowledge and Understanding

129. Many companies, such as banks, maintain copies of your documents for many years. A(n) _____ system could be used to track these.

Document management

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

130. A(n) _____ supports the capturing, organization, and dissemination of knowledge.

Knowledge management system

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 3
Taxonomy: Knowledge and Understanding

131. A(n) _____ links you to people you know, and from there, to people your contacts know.

Social network system

AACSB: Use of Information Technology
Difficulty: Hard
Learning Objective: 5
Taxonomy: Synthesis and Evaluation

132. _____ refers to ensuring the right quantity of parts for production or products for sale arrive at the right time.

Fulfillment

AACSB: Use of Information Technology
Difficulty: Easy
Learning Objective: 1
Taxonomy: Knowledge and Understanding

Chapter 02 - Major Business Initiatives: Gaining Competitive

133. _____ refers to keeping the costs of transportation as low as possible consistent with safe and reliable delivery.

Logistics

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 1

Taxonomy: Knowledge and Understanding

134. _____ refers to ensuring that production lines function smoothly because high quality parts are available as needed.

Production

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 1

Taxonomy: Knowledge and Understanding

135. _____ refer to ensuring that no sales are lost because sales are empty.

Revenue and profit

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 2

Taxonomy: Knowledge and Understanding

136. _____ refer to keeping the cost of purchased parts and products at acceptable levels.

Costs and Price

AACSB: Use of Information Technology

Difficulty: Easy

Learning Objective: 1

Taxonomy: Knowledge and Understanding

Chapter 02 - Major Business Initiatives: Gaining Competitive

137. _____ is a total business objective which encompasses many different aspects of a business including software, hardware, services, support, and strategic business goals.

Customer relationship management

AACSB: Use of Information Technology

Difficulty: Medium

Learning Objective: 2

Taxonomy: Application and Analysis