

***Processes, Systems, and Information (Kroenke/McKinney)***  
**Chapter 5 Using IS to Improve Processes**

1) Operational processes are commonplace, routine, everyday business processes.

Answer: TRUE

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

2) Once defined, the procedures or instructions for operational processes are changed very infrequently.

Answer: TRUE

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

3) Strategic processes focus on the use of resources.

Answer: FALSE

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

4) Managerial processes include planning, assessing, and analyzing the resources used by a company in pursuit of its objectives.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

5) Strategic processes seek to resolve issues that have a long-range impact on the organization.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

6) Because judgment and a tolerance for ambiguity are important, managerial processes typically have more human actors than strategic processes.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

7) An objective is a desired goal an organization has decided to pursue.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

8) The process objective of effectiveness is defined as the creation of more output with the same inputs or the same output with fewer inputs.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

9) An efficient objective is one that focuses on doing the right things, thereby helping achieve organizational strategy.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

10) Efficient objectives seek to conserve limited resources while effective objectives help achieve company strategy.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

11) Efficiency and effectiveness occur only at the operational and strategic levels of processes.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

12) Inbound logistics receives, stores, and disseminates product input.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

13) Procurement is an operational process that acquires goods and services.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

14) An example of a strategic inbound logistics process is the evaluation of potential suppliers.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

15) Service processes transform inputs into outputs.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

16) Inbound logistics processes include scheduling the equipment, people, and facilities necessary to build or assemble a product or provide a service.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

17) Outbound logistics processes collect, store, and distribute products to buyers.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

18) Service processes concern the management of finished-goods inventory and the movement of goods from that inventory to the customer.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

19) Evaluating customer complaint patterns is an example of an operational customer service process.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

20) Sales and marketing provide the means and incentives for customers to purchase a product or service.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

21) Providing after-sales support to enhance or maintain the value of a product is called service.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

22) Human resources processes assess the motivations and skills of employees; create job positions; investigate employee complaints; and staff, train, and evaluate personnel.

Answer: TRUE

Page Ref: 133

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

23) Technology development processes include designing, testing, and developing technology in support of the primary activities in the value chain.

Answer: TRUE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

24) A strategic technology development process estimates the time required for each step in a software development process.

Answer: FALSE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

25) A managerial technology development process decides if a particular technology will be purchased or developed by the company.

Answer: FALSE

Page Ref: 133

Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

26) The first step in the OMIS model is to specify and, if possible, improve how each objective is measured.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

27) The OMIS model requires that each process have explicitly stated objectives.

Answer: TRUE

Page Ref: 133

Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

28) Metrics are quantities assigned to attributes.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

29) A reasonable measure is accurate and consistent.

Answer: FALSE

Page Ref: 134

Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

30) Accurate measures are exact and precise.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

31) Consistent measures are reliable.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

32) One way to improve a process with IS is to improve the links among activities in the same process or among activities in different processes.

Answer: TRUE

Page Ref: 135

Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

33) The impact of one activity on another activity is called an actor.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

34) One of the ways IS helps improve a process is by improving the control over the process.

Answer: TRUE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

35) A common method used to control processes in organizations is linkage.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

36) The most significant technology for improving business processes is ERP systems.

Answer: TRUE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

37) A business can improve a process by adding resources to a given process without changing its structure.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

38) One cannot alter a business process without changing its structure.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

39) It is possible to change the arrangement of the activities of a process without changing resource allocations.

Answer: TRUE

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Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

40) IS and non-IS process improvements are distinct from one another and generally do not overlap.

Answer: FALSE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

41) Six Sigma is the most common approach to process improvement in the manufacturing industry.

Answer: TRUE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

42) Diagrams of suggested improvements are called as-is diagrams.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

43) Diagrams of current processes are called BPMN diagrams.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

44) Information silos is a condition that exists when data are isolated in separated information systems or when data are duplicated in various places.

Answer: TRUE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes

45) Information silos are meant to make processes efficient and effective.

Answer: FALSE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes



46) One way to eliminate information silos is by storing a single copy of data in a shared database and revising business processes to use that database.

Answer: TRUE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes

47) The advantages of an enterprise system are generally not evident when multiple processes across several departments rely on it.

Answer: FALSE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes

48) SOA is an IS approach designed to simplify data-sharing among process activities.

Answer: TRUE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 6

Course LO: Discuss the role of information systems in supporting business processes

49) In networks, encapsulation is used to allow devices to communicate containers (packets) of data without being concerned about the data inside.

Answer: TRUE

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Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 6

Course LO: Discuss the role of information systems in supporting business processes

50) Though SOA provides the benefit of automation, it reduces control over activities.

Answer: FALSE

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Difficulty: Easy

Chapter LO: 6

Course LO: Discuss the role of information systems in supporting business processes

51) \_\_\_\_\_ are commonplace, routine, everyday business processes.

- A) Strategic processes
- B) Managerial processes
- C) Operational processes
- D) Transformational processes

Answer: C

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

52) At the electronics store, James is responsible for ordering supplies, paying bills, and ringing up regular customers to inform them about the latest products that are available. James is responsible for the \_\_\_\_\_ processes at the store.

- A) strategic
- B) operational
- C) managerial
- D) transformational

Answer: B

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

53) Which of the following is true about operational processes?

- A) Their procedures and instructions are frequently changed.
- B) They rely more on computerized actors than other types of processes.
- C) They are supported by executive support systems.
- D) They seek to resolve issues that have long-range impact on the organization.

Answer: B

Page Ref: 130

Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

54) Which of the following information systems facilitates operational processes?

- A) expert systems
- B) executive support systems
- C) management information systems
- D) transaction processing systems

Answer: D

Page Ref: 130

Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

55) \_\_\_\_\_ concern resource use and include planning, assessing, and analyzing the resources used by the company in pursuit of its objectives.

- A) Managerial processes
- B) Operational processes
- C) Transactional processes
- D) Strategic processes

Answer: A

Page Ref: 130

Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

56) Lindsay's responsibilities at the coffeehouse where she works include assessing seasonal promotions, planning and scheduling cashiers, and determining which personnel to promote. Lindsay is in charge of \_\_\_\_\_ processes.

- A) transformational
- B) strategic
- C) operational
- D) managerial

Answer: D

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

57) Which of the following is true about managerial processes?

- A) They are more difficult to change than other types of processes.
- B) They seek to resolve issues that have long-range impact on the organization.
- C) They rely on fewer computerized actors compared to operational processes.
- D) They are facilitated by transaction processing systems.

Answer: C

Page Ref: 130

Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

58) Which of the following processes seeks to resolve issues that have long-range impact on the organization?

- A) transactional processes
- B) operational processes
- C) managerial processes
- D) strategic processes

Answer: D

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

59) Which of the following is true about strategic processes?

- A) They are broad in scope and impact most of the firm.
- B) They are concerned primarily with the use of resources.
- C) They are facilitated mainly by management information systems.
- D) They rely more on computerized actors compared to other types of processes.

Answer: A

Page Ref: 130

Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

60) Which of the following information systems facilitates strategic processes?

- A) transaction processing systems
- B) management information systems
- C) executive support systems
- D) production systems

Answer: C

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

61) Setting a business's budget and introducing a new product are examples of \_\_\_\_\_.

- A) service processes
- B) operational processes
- C) managerial processes
- D) strategic processes

Answer: D

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

62) When Naomi makes decisions regarding the location of a new franchise for her Italian restaurant and charts out the growth plan for her business over the next 5-8 years, her decisions relate to the \_\_\_\_\_ processes of her business.

- A) strategic
- B) operational
- C) managerial
- D) transactional

Answer: A

Page Ref: 130

Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

63) As one of the objectives of processes, \_\_\_\_\_ means creating more output with the same inputs or the same output with fewer inputs.

- A) quality
- B) efficiency
- C) productivity
- D) effectiveness

Answer: B

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

64) A(n) \_\_\_\_\_ objective is one that focuses on doing the right things, thereby helping an organization achieve its strategic goals.

- A) efficient
- B) myopic
- C) productive
- D) effective

Answer: D

Page Ref: 130

Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

65) The most common combination of processes and objectives is when \_\_\_\_\_ processes combine with efficiency objectives and \_\_\_\_\_ processes combine with effectiveness objectives.

- A) managerial; strategic
- B) operational; managerial
- C) strategic; managerial
- D) operational; strategic

Answer: D

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Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

66) Which business process is responsible for receiving, storing, and disseminating product inputs?

- A) service
- B) operations
- C) inbound logistics
- D) sales and marketing

Answer: C

Page Ref: 131

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

67) Processes such as procurement, managing inventory, and evaluating potential suppliers are a part of \_\_\_\_\_.

- A) inbound logistics
- B) operations
- C) services
- D) outbound logistics

Answer: A

Page Ref: 131

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

68) Vera works at a bakery where she is in charge of ordering ingredients and boxes as well as receiving and paying for these items. Vera is responsible for which of the following inbound logistics processes?

- A) order tracking
- B) inventory management
- C) procurement
- D) scheduling maintenance

Answer: C

Page Ref: 131

Difficulty: Moderate

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

69) An example of a strategic inbound logistics process is \_\_\_\_\_.

- A) evaluating technology acquisition options
- B) evaluating customer complaint patterns
- C) evaluating outsourcing service options
- D) evaluating potential suppliers

Answer: D

Page Ref: 131

Difficulty: Moderate

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

70) \_\_\_\_\_ processes schedule the equipment, people, and facilities necessary to build or assemble a product or provide a service.

- A) Human resources
- B) Sales and marketing
- C) Outbound logistics
- D) Operations

Answer: D

Page Ref: 131

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

71) At the Subway outlet where Betty works, assembling the sub sandwiches is her responsibility. Betty is responsible for which of the following business processes?

- A) human resources processes
- B) operations processes
- C) inbound logistics processes
- D) service processes

Answer: B

Page Ref: 131

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

72) Which of the following business processes is responsible for collecting, storing, and distributing products to buyers?

- A) sales and marketing processes
- B) outbound logistics processes
- C) service processes
- D) operations processes

Answer: B

Page Ref: 132

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

73) The sales process that records the sales order, ships the product, and bills the customer is a(n) \_\_\_\_\_ process.

- A) outbound logistics
- B) marketing
- C) service
- D) operations

Answer: A

Page Ref: 132

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

74) Which of the following is an example of a strategic sales and marketing process?

- A) evaluating promotional discounts
- B) awarding a refund
- C) contacting customers about promotional offers
- D) launching a new product

Answer: D

Page Ref: 132

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

75) Which of the following is an example of a managerial sales and marketing process?

- A) awarding a refund
- B) evaluating promotional discounts
- C) opening a new restaurant
- D) determining the payment policy

Answer: B

Page Ref: 132

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

76) Operational customer service processes include \_\_\_\_\_.

- A) awarding refunds
- B) evaluating customer complaint patterns
- C) tracking orders
- D) training service personnel

Answer: C

Page Ref: 132

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

77) \_\_\_\_\_ include determining pay scales and authorizing types of incentives.

- A) Strategic service processes
- B) Strategic human resources processes
- C) Strategic marketing processes
- D) Strategic operations processes

Answer: B

Page Ref: 133

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes



78) Jennifer was hired recently by a software firm to investigate employee complaints and train and evaluate personnel. Jennifer is in charge of which of the following business processes?

- A) operations processes
- B) service processes
- C) technology development processes
- D) human resources processes

Answer: D

Page Ref: 133

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

79) Which of the following is an example of a strategic human resources process?

- A) deciding the organizational structure
- B) recruiting skilled personnel
- C) assessing employee performance
- D) evaluating customer complaint patterns

Answer: A

Page Ref: 133

Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

80) A(n) \_\_\_\_\_ technology development process tests whether newly developed software is able to handle tens of thousands of possible keystroke entries.

- A) operational
- B) managerial
- C) transformational
- D) strategic

Answer: A

Page Ref: 133

Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

81) A managerial technology development process includes \_\_\_\_\_.

- A) improving the links among activities in the same process or among activities in different processes
- B) testing whether a newly developed software can handle thousands of possible keystroke entries
- C) deciding if a particular technology will be purchased or developed by the company
- D) estimating the time required for each step in a software development process

Answer: D

Page Ref: 133

Difficulty: Moderate

AACSB: Use of information technology

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

82) A(n)\_\_\_\_\_ technology development process decides if a particular technology will be purchased or developed by the company.

- A) strategic
- B) managerial
- C) operational
- D) transactional

Answer: A

Page Ref: 133

Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

83) The first step in the OMIS model is \_\_\_\_\_.

- A) to identify information systems that can improve the process
- B) to improve how each objective is measured
- C) to specify and, if possible, improve the objectives for the process
- D) to improve control of the process

Answer: C

Page Ref: 133

Difficulty: Moderate

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

84) The second step in the OMIS model is \_\_\_\_\_.

- A) to identify information systems that can improve the process
- B) to specify and, if possible, improve how each objective is measured
- C) to improve the objectives for the process
- D) to improve control of the process

Answer: B

Page Ref: 134

Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

85) \_\_\_\_\_ are quantities assigned to attributes.

- A) Codes
- B) Semantics
- C) Metrics
- D) Silos

Answer: C

Page Ref: 134

Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

86) A \_\_\_\_\_ measure is a measure that is valid and compelling.

- A) consistent
- B) reasonable
- C) direct
- D) variable

Answer: B

Page Ref: 134

Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

87) \_\_\_\_\_ measures are exact and precise.

- A) Accurate
- B) Consistent
- C) Direct
- D) Reasonable

Answer: A

Page Ref: 134

Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

88) What are the characteristics of good process measures?

- A) directness; accuracy; reasonability
- B) validity; simplicity; directness
- C) consistency; accuracy; simplicity
- D) reasonability; accuracy; consistency

Answer: D

Page Ref: 134-135

Difficulty: Moderate

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

89) Consistent measures are \_\_\_\_\_.

- A) reasonable
- B) reliable
- C) precise
- D) direct

Answer: B

Page Ref: 135

Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

90) Linkage is defined as \_\_\_\_\_.

- A) a subset of the activities in a process performed by a particular actor
- B) a sequence of activities for accomplishing a function
- C) processes that facilitate interprogram communication and data sharing
- D) the impact of one activity on another activity

Answer: D

Page Ref: 135

Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

91) Information systems help improve business processes in all of the following ways EXCEPT \_\_\_\_\_.

- A) by improving one of the activities in a process
- B) by improving the links among activities in different processes
- C) by duplicating the data available in a shared database
- D) by improving control of the process

Answer: C

Page Ref: 135-136

Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

92) The most significant technology for improving business processes is \_\_\_\_\_.

- A) TPS
- B) ESS
- C) ERP
- D) CDMA

Answer: C

Page Ref: 136

Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

93) Which of the following approaches to improvement seeks to improve process outputs by removing causes of defects and minimizing variability in the process?

- A) game theory
- B) Six Sigma
- C) the OMIS model
- D) linkage

Answer: B

Page Ref: 137

Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

94) As-is diagrams are \_\_\_\_\_.

- A) diagrams provided by the redesign team
- B) diagrams of current processes that need no improvement
- C) diagrams of the current process
- D) diagrams of suggested improvements to a process

Answer: C

Page Ref: 137

Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

95) Ought-to-be diagrams are \_\_\_\_\_.

- A) diagrams of the current process
- B) diagrams of current processes that need no improvement
- C) diagrams provided as inputs to the redesign team
- D) diagrams of suggested improvements to a process

Answer: D

Page Ref: 137

Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

96) \_\_\_\_\_ refers to a condition that exists when data are isolated in separated information systems or when data are duplicated in various places.

- A) Encapsulation
- B) Information silos
- C) Data warehousing
- D) Metadata publishing

Answer: B

Page Ref: 138

Difficulty: Easy

AACSB: Use of information technology

Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes

97) Why do organizations store data in separate databases?

- A) Departmental personnel generally keep away from matters relating to database management.
- B) Different departments tend to have different objectives.
- C) Departments are not expected to share their data as it is considered confidential.
- D) Enterprise systems are quite affordable and easy to implement.

Answer: B

Page Ref: 140

Difficulty: Moderate

AACSB: Use of information technology

Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes

98) Which of the following is true regarding SOA?

- A) It enables the development of middleware, thereby facilitating interprogram communication and data sharing.
- B) It is a type of software in which every activity is modeled as an encapsulated service.
- C) Its applicability is limited to those business processes that are fully automated.
- D) It lacks the adaptability and flexibility found in client server architecture.

Answer: A

Page Ref: 140

Difficulty: Moderate

AACSB: Use of information technology

Chapter LO: 6

Course LO: Discuss the role of information systems in supporting business processes

99) What are the three terms represented in the philosophy of SOA?

- A) orientation; standards; encapsulation
- B) service; encapsulation; standards
- C) encapsulation; standards; design
- D) standards; design; orientation

Answer: B

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Difficulty: Moderate

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Course LO: Discuss the role of information systems in supporting business processes

100) In the case of SOA, \_\_\_\_\_ allow(s) devices to communicate containers of data without being concerned about the data inside.

- A) encapsulation
- B) standards
- C) silos
- D) linkage

Answer: A

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Difficulty: Easy

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Chapter LO: 6

Course LO: Discuss the role of information systems in supporting business processes

101) What are operational processes?

Answer: Operational processes are commonplace, routine, everyday business processes. At a pizza shop, for example, these include ordering supplies, paying bills, and ringing up customers. The procedures, or instructions, for these processes are changed very infrequently and, typically, they rely more on computerized actors than do other types of processes. Because many actors contribute to this process, changing them is more difficult than changing other types of processes. Information systems that facilitate operational processes are sometimes called transaction processing systems (TPS).

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Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

102) What are managerial processes?

Answer: Managerial processes concern resource use. These processes include planning, assessing, and analyzing the resources used by the company in pursuit of its objectives. Managerial processes occur much less frequently and with many fewer computerized actors than operational processes have. At a pizza franchise, for example, these processes include assessing seasonal promotions, planning and scheduling cashiers, and determining which personnel to promote. Information systems that facilitate managerial processes are sometimes called management information systems (MIS).

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Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

103) What are strategic processes? How are they different from managerial and operational processes?

Answer: Strategic processes seek to resolve issues that have long-range impact on the organization. These processes have broad scope and impact most of the firm. Because judgment and a tolerance for ambiguity are important, strategic processes typically have more human actors than do operational or managerial processes. Examples of strategic processes include determining where to locate a new restaurant, setting a business's budget, and introducing a new product. Information systems that support strategic processes are sometimes called executive support systems (ESS).

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Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

104) What is an objective?

Answer: An objective is a desired goal an organization has decided to pursue. These objectives can be classified as efficient or effective. A valuable way to understand how processes differ is to consider their objectives.

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Difficulty: Easy

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes



105) Differentiate between efficient and effective objectives.

Answer: Efficiency means creating more output with the same inputs or the same output with fewer inputs. As an example, a pizza shop might try to improve the efficiency of the delivery process. To do so, the shop may specify an objective of reducing unnecessary delays.

An effective objective helps achieve organizational strategy. As an example, a pizza shop depends heavily on pizza sales to college students. As a result, one objective of the sales process is to sell to freshmen.

To summarize, efficient objectives seek to conserve limited resources; effective objectives help achieve company strategy. In other words, effectiveness is doing the right things, whereas efficiency is doing things right.

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Difficulty: Moderate

Chapter LO: 1

Course LO: Discuss the role of information systems in supporting business processes

106) What are inbound logistics processes? Explain with the help of an example.

Answer: Inbound logistics receives, stores, and disseminates product input. Processes in inbound logistics listed include procurement, managing inventory, and evaluating potential suppliers.

Procurement is an operational process that acquires goods and services. Procurement activities at a pizza shop, for example, would include ordering ingredients and boxes, as well as receiving and paying for those items. Inventory management processes use past data to compute stocking levels, reorder levels, and reorder quantities in accordance with inventory policy. An example of a strategic inbound logistics process is the evaluation of potential suppliers. When the pizza shop orders ingredients, it only uses suppliers who were previously approved by the strategic process called supplier selection.

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Difficulty: Moderate

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

107) Briefly describe the role of operations as one of the primary activities in the value chain.

Answer: Operations transform inputs into outputs. Operations processes schedule the equipment, people, and facilities necessary to build or assemble a product or provide a service. For example, assembling and baking pizzas at a pizza shop are two operational operations processes. An example of a management operations process is scheduling maintenance on the ovens. Strategic processes evaluate if the pizza company should open another restaurant or change its menu.

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Difficulty: Moderate

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

108) What are outbound logistics processes?

Answer: Outbound logistics processes collect, store, and distribute products to buyers. They are concerned with the management of finished-goods inventory and the movement of goods from that inventory to the customer. These processes are especially prominent for nonmanufacturers, such as distributors, wholesalers, and retailers.

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Difficulty: Easy

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

109) How does the business process of sales and marketing function?

Answer: Sales and marketing provide the means and incentives for customers to purchase a product or service. The primary objective of sales and marketing processes is to find prospects and transform them into customers by selling them something. When a pizza chain, for example, mails promotions to prospects it is executing its operational promotion process. Evaluating promotional discounts is a managerial marketing process while strategic marketing processes include launching a new product or opening a new restaurant.

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Difficulty: Moderate

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

110) Describe operational, managerial, and strategic service processes, with the help of an example.

Answer: Providing after-sales support to enhance or maintain the value of a product is called service. Operational customer service processes include tracking orders, providing customer support, and customer support training. Customers call customer service to ask questions about their order status, to query and report problems with their accounts, and to receive assistance with product use. For example, when a customer calls a pizza shop about a late delivery, the store manager initiates a service process. This process records some of the key circumstances for later analysis and awards the customer a discount on a future purchase or the immediate delivery of another pizza. A management service process evaluates customer complaints to determine if there are patterns to the complaints, such as day of the week or a particular delivery person. Evaluating outsourcing service options is a strategic service process.

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Difficulty: Moderate

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

111) What are human resources processes? Give examples of operational, managerial, and strategic human resources processes.

Answer: Human resources processes assess the motivations and skills of employees; create job positions; investigate employee complaints; and staff, train, and evaluate personnel. Operational human resources processes recruit, compensate, and assess employee performance for the organization. Management processes address the development and training of the organization's work force and planning for future needs. Strategic processes in human resources determine pay scales, authorize types of incentives, and decide organizational structure.

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Difficulty: Moderate

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

112) What are technology development processes? Give examples of such processes at the operational, managerial, and strategic level.

Answer: Technology development processes include designing, testing, and developing technology in support of the primary activities. An operational technology development process tests whether newly developed software can handle tens of thousands of possible keystroke entries. A managerial technology development process is a milestone development process that estimates time required for each step in a software development process. A strategic technology development process decides if a particular technology will be purchased or developed by the company.

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Difficulty: Moderate

Chapter LO: 2

Course LO: Discuss the role of information systems in supporting business processes

113) Explain the OMIS model.

Answer: The OMIS model aims to improve business processes. It stands for Objectives, Measures, and Information Systems. Each process has one or more objectives. The first step in the OMIS model is to specify and, if possible, improve the objectives for the process. Often a process will have unstated objectives. The OMIS model requires that each process have explicitly stated objectives. The second step in the model is to specify and, if possible, improve how each objective is measured. Measures, also called metrics, are quantities assigned to attributes. The last step in the OMIS model focuses on improving a process with IS in three ways: by improving one of the activities in the process, by improving the links among activities in the same process or among activities in different processes, and by improving control of the process.

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Difficulty: Moderate

Chapter LO: 3; 4

Course LO: Discuss the role of information systems in supporting business processes

114) What are the characteristics of a good measure?

Answer: The best measures are reasonable, accurate, and consistent. A reasonable measure is a measure that is valid and compelling. Accurate measures are exact and precise. To accurately assess an objective, it may be appropriate to have multiple measures. A final characteristic of a good measurement is consistency. A business should develop measures of processes that are reliable; that is, the measure returns the same value if the same situation reoccurs.

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Difficulty: Easy

Chapter LO: 3

Course LO: Discuss the role of information systems in supporting business processes

115) Explain the two categories of non-IS process improvement.

Answer: A business can improve a process by adding resources to a given process without changing its structure. Some processes can also be improved by reducing resources. A second way of altering a business process is to change its structure. Process designers can change the arrangement of the activities of a process without changing resource allocations.

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Difficulty: Easy

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

116) Explain the Six Sigma approach to process improvement.

Answer: The most common approach to process improvement, particularly in the manufacturing industry, is called Six Sigma. Six Sigma seeks to improve process outputs by removing causes of defects and minimizing variability in the process. Each Six Sigma project follows a very structured sequence of steps with quantified financial measures. Six Sigma gets its name from its goal that 99.99966 percent of process outputs will be free from defects.

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Difficulty: Moderate

Chapter LO: 4

Course LO: Discuss the role of information systems in supporting business processes

117) What are information silos? What impact do they have on business processes? How can they be eliminated?

Answer: Information silos are a condition that exists when data are isolated in separated information systems or when data are duplicated in various places. When duplicated, the data can become inconsistent when changes are made to just one system. Because they operate in isolation from one another, they create islands of automation or information silos that can diminish the efficiency and effectiveness of a process and limit the opportunities to improve it. The most obvious fix to eliminate information silos is to store a single copy of data in a shared database and revise business processes to use that database.

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Difficulty: Moderate

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Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes

118) Describe why departments like to control the systems they use.

Answer: Given a choice, organizational departments prefer to control the systems they use. Departmental personnel like to control how databases are set up, what the data will look like, and how the database will be updated. Also, a department may have very different objectives than other departments in the firm. These objectives might be to minimize inventory or serve customers. Therefore, a department system that helps accomplish this one objective might be deemed better by the department than an enterprise system that does not support that objective as well. Another reason departments set up their own databases is that they analyze the costs and benefits of the system using their own, fairly narrow measures. Using their own narrow department measures, the advantages of an enterprise system may not be evident. Only when many processes in many departments all rely on the same IS do the savings really accumulate.

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Difficulty: Moderate

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Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes

119) Explain why a department may legitimately seek to keep its data in multiple databases.

Answer: There are legitimate reasons for a department to use its own database. Some processes use sensitive data not needed in other processes, such as tax data for accounting processes and health care claims data for the HR department. Also, a department system can be purchased and implemented more quickly than most enterprise solutions. Finally, departmental IS are much more affordable; enterprise systems can cost as much as 10 to 50 times as much as a single-department application.

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Difficulty: Moderate

AACSB: Use of information technology

Chapter LO: 5

Course LO: Discuss the role of information systems in supporting business processes

120) What is SOA? How does it improve business processes?

Answer: Service-oriented architecture (SOA) is a design philosophy in which every activity is modeled as an encapsulated service and exchanges among those services are governed by standards. SOA enables the development of middleware, software that sits between two computer programs and facilitates interprogram communication and data sharing. It offers great flexibility, ease of use, and adaptability.

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Difficulty: Easy

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Chapter LO: 6

Course LO: Discuss the role of information systems in supporting business processes