

1) Competitive strategy is supported through activities in the value chain, which consist of collection of business processes supported by information systems.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 347

Topic: Q3

Skill: RECALL

2) Competitive strategy is supported by operational plans.

- a. True
- b. False

Answer: b

Diff: 2

Type: TF

Page Reference: 347

Topic: Q3

Skill: APPLIED

3) The triple bottom line for organizations includes measuring profitability, social performance and employee satisfaction.

- a. True
- b. False

Answer: b

Diff: 3

Type: TF

Page Reference: 356

Topic: Q8

Skill: RECALL

4) The Zachman framework describes competitive forces in an industry.

- a. True
- b. False

Answer: b

Diff: 2

Type: TF

Page Reference: 348

Topic: Q3

Skill: RECALL

5) John Zachman developed the Zachman framework while he worked for IBM.

a. True

b. False

Answer: a

Diff: 1

Type: TF

Page Reference: 348

Topic: Q3

Skill: RECALL

6) The Zachman framework divides systems into two dimensions: one is based on six reasons for communication; the other is based on stakeholder groups.

a. True

b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 348

Topic: Q3

Skill: RECALL

7) The matching of organizational objectives with IT architecture takes advantage of IT capabilities as they develop.

a. True

b. False

Answer: a

Diff: 3

Type: TF

Page Reference: 349

Topic: Q4

Skill: RECALL

8) Alignment is the matching of business objectives with IT architecture.

- a. True
- b. False

Answer: a

Diff: 1

Type: TF

Page Reference: 349

Topic: Q4

Skill: RECALL

9) Bill 198 is commonly known as Budget Measures Act.

- a. True
- b. False

Answer: a

Diff: 1

Type: TF

Page Reference: 351

Topic: Q5

Skill: RECALL

10) Bill 198 is commonly known as the Sarbanes-Oxley Act.

- a. True
- b. False

Answer: b

Diff: 1

Type: TF

Page Reference: 351

Topic: Q5

Skill: RECALL

11) The Certified Information Systems Auditor (CISA) certification is recognized globally and has been earned by more than 90 000 professionals.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 352

Topic: Q6

Skill: RECALL

12) The purpose of an information systems audit is to verify organizations' information systems policies and procedures.

a. True

b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 352

Topic: Q6

Skill: RECALL

13) An IT architecture is like a plan for a city that lays out the street network.

a. True

b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 347

Topic: Q3

Skill: RECALL

14) Green IT practices include using the “sleep” mode of your computer, recycling of computers, and buying energy-efficient electronics.

a. True

b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 356

Topic: Q8

Skill: APPLIED

15) For business organizations, governance is often designed to work toward the development of consistent, cohesive management policies and verifiable internal processes.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 350

Topic: Q5

Skill: RECALL

16) Effectively managing information systems to support business objectives is an easy process.

- a. True
- b. False

Answer: b

Diff: 1

Type: TF

Page Reference: 347

Topic: Q3

Skill: RECALL

17) An enterprise architects's job is to plan and manage an organization's information systems.

- a. True
- b. False

Answer: b

Diff: 2

Type: TF

Page Reference: 345

Topic: Q3

Skill: RECALL

18) IT architecture has many standards.

- a. True
- b. False

Answer: b

Diff: 1

Type: TF

Page Reference: 348

Topic: Q3

Skill: RECALL

19) Wal-Mart spends more than the industry average on information technology.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 349

Topic: Q4

Skill: RECALL

20) Supporting business objectives with appropriate IT investments is a critical part of IT management.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 349

Topic: Q4

Skill: RECALL

21) The need to report and disclose IS operational information will require all employees to become familiar with the issues facing IT management.

- a. True
- b. False

Answer: a

Diff: 2

Type: TF

Page Reference: 353

Topic: Q6

Skill: RECALL

22) E-cycling is one of the most important issues in green IT.

a. True

b. False

Answer: a

Diff: 1

Type: TF

Page Reference: 356

Topic: Q8

Skill: RECALL

23) Green IT means using information technology resources to better support the triple bottom line.

a. True

b. False

Answer: a

Diff: 1

Type: TF

Page Reference: 356

Topic: Q8

Skill: RECALL

24) Whistle blowers have shown us that it is quite acceptable to "do what your boss says" or "do what your system tells you" when it comes to ethical situations

a. True

b. False

Answer: b

Diff: 2

Type: TF

Page Reference: 355

Topic: Q7

Skill: RECALL

25) Information systems ethics is about

- a. people involved in the system.
- b. money involved in the system.
- c. software involved in the system.
- d. hardware involved in the system.
- e. PIPEDA.

Answer: a

Diff: 2

Type: MC

Page Reference: 354

Topic: Q7

Skill: RECALL

26) Which of the following are sets of ethical principles?

- a. Sarbanes-Oxley Act
- b. GAAP
- c. IFRS
- d. Canada's Charter of Rights and Freedoms
- e. The Budget Measures Act

Answer: d

Diff: 2

Type: MC

Page Reference: 354

Topic: Q7

Skill: RECALL

27) The ongoing process which involves fitting IT architecture to business objective is called

- a. Sarbanes-Oxley Act.
- b. IT Strategy.
- c. alignment.

- d. Zachman Framework.
- e. governance.

Answer: c

Diff: 2

Type: MC

Page Reference: 349

Topic: Q4

Skill: RECALL

28) The _____ department usually manages the computers, computer centres, networks, and communication media.

- a. IT
- b. finance
- c. operations
- d. legal
- e. CIO's

Answer: c

Diff: 2

Type: MC

Page Reference: 341

Topic: Q1

Skill: RECALL

29) In an ideal world, the information systems that a company uses would support the _____ of the company

- a. strategy
- b. information technology
- c. business ethics
- d. data collection
- e. online transaction processing

Answer: a

Diff: 2

Type: MC

Page Reference: 347

Topic: Q3

Skill: RECALL

30) The Canadian legislation that is similar to the Sarbanes-Oxley Act in the US is the

- a. Budget Measures Act.
- b. Financial Regulations Act.
- c. Business Measures Act.
- d. Business Code Act.
- e. CSox Act.

Answer: a

Diff: 2

Type: MC

Page Reference: 351

Topic: Q5

Skill: RECALL

31) The Zachman framework divides systems into two dimensions: one is based on reasons for communication and the other is based on stakeholder groups.

Diff: 1

Type: FIB

Page Reference: 348

Topic: Q3

Skill: RECALL

32) Which of the following are in the stakeholder groups listed in the Zachman framework?

- a. Owner, planner, designer, government, worker
- b. Worker, government, designer, planner, owner
- c. Designer, the public, planner, owner, worker
- d. Planner, government, shareholder, worker, designer
- e. Shareholder, planner, designer, builder, worker

Answer: e

Diff: 3

Type: MC

Page Reference: 348

Topic: Q3

Skill: APPLIED

33) Sarbanes-Oxley and Bill 198 apply to

- a. COBIT
- b. computer based information systems
- c. income taxes
- d. publicly traded companies.
- e. privately held Canadian corporations.

Answer: d

Diff: 2

Type: MC

Page Reference: 351

Topic: Q5

Skill: RECALL

34) Under Bill 198 both management and the _____ face criminal liability if internal controls are defective.

- a. planner
- b. designer
- c. employees
- d. external auditor
- e. president

Answer: d

Diff: 2

Type: MC

Page Reference: 351

Topic: Q5

Skill: APPLIED

35) Which of the following is the most important indicator of alignment?

- a. Return on investment in IT
- b. Investment level in IT
- c. Communication among IT executives

- d. Communication between IT and business executives
- e. Funding of IT

Answer: d

Diff: 2

Type: MC

Page Reference: 350

Topic: Q4

Skill: RECALL

36) The term _____ suggests some committee or political party has the ability to decide on expectations for performance, to authorize appropriate resources and power to meet expectation, and perhaps eventually to verify whether expectation have been met.

- a. architecture
- b. alignment
- c. governance
- d. process redesign
- e. management

Answer: c

Diff: 2

Type: MC

Page Reference: 350

Topic: Q5

Skill: RECALL

37) The focus of an _____ is placed on the information resources that are used to collect, store, process, and retrieve information.

- a. security audit
- b. information systems audit
- c. external audit
- d. information technology audit
- e. internal audit

Answer: b

Diff: 2

Type: MC

Page Reference: 352

Topic: Q6

Skill: RECALL

38) Most jobs in the ICT industry require a mix of _____ and technical skills.

- a. selling
- b. programming
- c. financial
- d. legal
- e. interpersonal

Answer: e

Diff: 1

Type: MC

Page Reference: 344

Topic: Q2

Skill: RECALL

39) The _____ certification is recognized globally and has been earned by more than 90 000 professionals. Members have job titles like is auditor, consultant, IS security professional, regulator, chief information officer, and internal auditor.

- a. Certified Systems Auditor (CSA)
- b. COBIT Auditor
- c. Certified Auditor (CA)
- d. Systems Auditor (SA)
- e. Certified Information Systems Auditor (CISA)

Answer: e

Diff: 3

Type: MC

Page Reference: 352

Topic: Q6

Skill: RECALL

40) COBIT stands for

- a. Common Observations for Information Technology.
- b. Control Objectives for Information and Related Technology.
- c. Common Objectives for Business Information Technology.
- d. Control Objectives for Information Technology.
- e. Control Objects for Information Technology.

Answer: b

Diff: 2

Type: MC

Page Reference: 352

Topic: Q6

Skill: RECALL

41) What is the relationship between an organization's competitive strategy and information system planning?

Answer:

An organization's competitive strategy is supported through activities in the value chain, which consists of a collection of business processes supported by information systems. That is, information systems should help organizations achieve that strategy.

Diff: 3

Type: ES

Page Reference: 347

Topic: Q3

Skill: RECALL

42) The IT structure is like a

- a. city building.
- b. city plan.
- c. enterprise project.
- d. enterprise design.
- e. governmental design.

Answer: b

Diff: 3

Type: MC

Page Reference: 347

Topic: Q3

Skill: APPLIED

Objective: ski

43) What is information technology architecture?

- a. A set of photographs of all an organization's existing hardware.
- b. A basic framework for all the computers, systems, and information management that support organizational services.
- c. An IT plan that incorporates all an organization's existing IT investments.
- d. A diagram of all an organization's servers.
- e. A diagram of all an organization's networks.

Answer: b

Diff: 2

Type: MC

Page Reference: 347

Topic: Q3

Skill: RECALL

44) Alignment is not only about planning and building frameworks, but also about

- a. effectiveness in productivity.
- b. effectiveness in communication.
- c. efficiency in productivity.
- d. effectiveness in governance.
- e. efficiency in computing.

Answer: b

Diff: 2

Type: MC

Page Reference: 350

Topic: Q4

Skill: APPLIED

45) The function of COBIT is to

- a. provide a framework for SDLC.
- b. enforce the law on corporate IT governance.
- c. lobbying on behalf of the IT industry.
- d. help organizations get the best from their IT investments.
- e. draft legislation.

Answer: d

Diff: 2

Type: MC

Page Reference: 352

Topic: Q6

Skill: RECALL

46) What is the role of the ISACA?

- a. Providing a set of tools and guidelines for whistleblowers
- b. Enforcing the law on corporate IT governance
- c. Providing a framework for best IT practices
- d. Enforcing the control of IT standards
- e. Developing knowledge and standards relating to IT audits and IS governance.

Answer: e

Diff: 3

Type: MC

Page Reference: 352

Topic: Q6

Skill: RECALL

47) Why should business professionals care about IS governance?

- a. It is required by law.
- b. It increases job performance.
- c. It covers environmental issues.
- d. Actually, only the board of directors should care about IS governance.
- e. It enhances firm reputation.

Answer: a

Diff: 3

Type: MC

Page Reference: 353

Topic: Q6

Skill: RECALL

48) Moving downward in the Zachman framework provides a higher levels of

- a. outsourcing.
- b. feasibility.
- c. perspectives.
- d. detail.
- e. alignment.

Answer: d

Diff: 2

Type: MC

Page Reference: 348

Topic: Q3

Skill: RECALL

49) Though it may seem obvious, one of the hardest things to do when planning how your organization will use information systems is to

- a. export applications to a Web platform.
- b. align IS with organizational strategy.
- c. outsource some of the functions.
- d. get quotes from vendors.
- e. develop the business strategy.

Answer: b

Diff: 3

Type: MC

Page Reference: 349

Topic: Q4

Skill: APPLIED

50) The triple bottom line includes

- a. energy efficiency, recycling, and hazardous materials measures.

- b. financial, IT, and HR measures.
- c. stock, social, and environmental performance.
- d. financial, social, and environmental performance.
- e. shareholder, financial, and social measures.

Answer: d

Diff: 2

Type: MC

Page Reference: 356

Topic: Q8

Skill: RECALL

51) Part of Green IT means using IT to support (the)

- a. energy star programs.
- b. triple bottom line.
- c. people and the environment.
- d. environment.
- e. energy efficiency programs.

Answer: b

Diff: 3

Type: MC

Page Reference: 356

Topic: Q8

Skill: APPLIED

52) If all computers sold in the USA were energy star rated, the energy savings per year would be

- a. equivalent to 4 million vehicles.
- b. \$3 billion.
- c. \$5 billion.
- d. equivalent to 3.5 million houses.
- e. \$2 billion.

Answer: e

Diff: 2

Type: MC

Page Reference: 356

Topic: Q8

Skill: RECALL

53) Companies involved in the _____ industry face government regulatory restrictions.

- a. energy star
- b. e-energy
- c. e-waste
- d. technology governance
- e. paper recycling

Answer: c

Diff: 2

Type: MC

Page Reference: 356

Topic: Q8

Skill: RECALL

54) E-cycling should be considered in a company's IS _____ procedures.

- a. ethics
- b. buying
- c. alignment
- d. auditing
- e. planning

Answer: d

Diff: 3

Type: MC

Page Reference: 356

Topic: Q8

Skill: APPLIED

55) EPEAT is a tool based on _____ criteria that measure a product's efficiency and sustainability attributes.

- a. 27
- b. 30
- c. 24
- d. 25
- e. 28

Answer: e

Diff: 2

Type: MC

Page Reference: 356

Topic: Q8

Skill: RECALL

56) If described in one word, IS ethics are about understanding our

- a. thoughts.
- b. thinking.
- c. wishing.
- d. culture.
- e. choices.

Answer: e

Diff: 2

Type: MC

Page Reference: 354

Topic: Q7

Skill: RECALL

57) In terms of ethics, advances in information technology bring about new _____ for an organization.

- a. choices
- b. understandings
- c. problems
- d. risks
- e. opportunities

Answer: a

Diff: 3

Type: MC

Page Reference: 354

Topic: Q7

Skill: APPLIED

58) Information systems audits focus on

- a. deficiencies in information systems reporting.
- b. hardware and software.
- c. how well information systems align with business strategies.
- d. the information resources used to collect, retrieve, store, and process information.
- e. financial and account records.

Answer: d

Diff: 3

Type: MC

Page Reference: 352

Topic: Q6

Skill: RECALL

59) In Canada, _____ has an agreement with ISACA to recognize a designated specialist in information systems auditing.

- a. CASB
- b. CGA
- c. CICA
- d. CMA
- e. CSA

Answer: c

Diff: 1

Type: MC

Page Reference: 352

Topic: Q6

Skill: RECALL

60) Graduating business students can be successful in the ICT industry, if they are

- a. keeping up to date with information systems knowledge.
- b. intimately familiar with the SOX Act.
- c. ignoring information systems.
- d. intimately familiar with the details of COBIT
- e. familiar with issues facing information technology and can communicate.

Answer: e

Diff: 3

Type: MC

Page Reference: 344

Topic: Q2

Skill: APPLIED

61) One reason that governance is important is

- a. to ensure that an organization's internal processes can't be verified.
- b. to maintain the benefits of an organization's IT investments.
- c. to develop reporting structures and review processes
- d. to develop inconsistent management policies.
- e. to ensure that an organization produces good results while working to avoid bad results.

Answer: e

Diff: 2

Type: MC

Page Reference: 350

Topic: Q5

Skill: APPLIED

62) One example of internal controls is

- a. leaving all financial decisions to the sole discretion of the CFO.
- b. having budgets that aren't reconciled against the plan.
- c. allowing a single individual to complete the payment cycle in a payment system.
- d. relying solely on a computerized accounting system to make payments.
- e. the separation of duties for authorizing and making payments.

Answer: e

Diff: 3

Type: MC

Page Reference: 351

Topic: Q5

Skill: APPLIED

63) Successful companies find ways to share knowledge and _____ between the IT department and the business functions.

- a. frustrations
- b. information
- c. people
- d. data
- e. plans

Answer: a

Diff: 2

Type: MC

Page Reference: 350

Topic: Q4

Skill: RECALL

64) The challenge in developing systems that effectively support business objectives include

- a. a required understanding of the business process.
- b. a required understanding of the business process and the technological architecture of underlying information systems.
- c. a required understanding of the business process and information management.
- d. a required understanding of the technological architecture of underlying information systems.
- e. a required understanding of information management.

Answer: b

Diff: 3

Type: MC

Page Reference: 347

Topic: Q3

Skill: RECALL

65) In developing architecture a(n) _____ must consider things like organizational objectives, information flows, databases and supporting technology.

- a. CISA
- b. test engineer
- c. Zachman blackbelt
- d. CIO
- e. enterprise architect

Answer: e

Diff: 3

Type: MC

Page Reference: 347

Topic: Q3

Skill: RECALL

66) Wal-Mart's main strategy is

- a. to pursue a product differentiation strategy.
- b. to focus on being a low price retailer.
- c. to focus on being a "high tech" retailer.
- d. to focus on a specific niche market.
- e. to pursue a strategy that focuses on partnering with other retailers.

Answer: b

Diff: 2

Type: MC

Page Reference: 349

Topic: Q4

Skill: RECALL

67) According to Reich and Benbasat (1996), effective alignment occurred in organizations that developed a climate of supporting

- a. the sharing of domain knowledge and common business practices.
- b. the sharing of domain knowledge.
- c. common business practices.

- d. information management innovation.
- e. common business practices and information management innovation.

Answer: a

Diff: 3

Type: MC

Page Reference: 349

Topic: Q4

Skill: RECALL

- 68) IS governance is primarily associated with
- a. information management of an organization.
 - b. legal compliance with the Budget Measures Act.
 - c. Improving the benefits of an organization's IT investment in the long run.
 - d. social and environmental performance of an organization.
 - e. the duties of the CIO.

Answer: c

Diff: 2

Type: MC

Page Reference: 350

Topic: Q5

Skill: RECALL

- 69) Bill 198 affects mainly
- a. production systems
 - b. operational information systems.
 - c. databases.
 - d. data warehouses.
 - e. accounting information systems.

Answer: e

Diff: 2

Type: MC

Page Reference: 351

Topic: Q5

Skill: RECALL

70) IS governance in the future will require that all _____ have input into important IS decisions.

- a. shareholders
- b. stakeholders
- c. management personnel
- d. C-Suite members
- e. board members

Answer: b

Diff: 1

Type: MC

Page Reference: 352

Topic: Q5

Skill: RECALL

71) ISACA has become a leader in

- a. IT alignment.
- b. financial and accounting audits.
- c. developing new information systems.
- d. IT audits and IT governance.
- e. IS architecture development.

Answer: d

Diff: 2

Type: MC

Page Reference: 352

Topic: Q6

Skill: RECALL

72) A financial audit can be defined as an examination and verification of a company's financial and accounting records by an accredited professional.

Diff: 1

Type: FIB

Page Reference: 352

Topic: Q6

Skill: RECALL

73) The Zachman framework is one of the most popular IT architecture frameworks.

Diff: 1

Type: FIB

Page Reference: 348

Topic: Q3

Skill: RECALL

74) IT architecture is a plan for all the computers, systems, and information management in a firm.

Diff: 1

Type: FIB

Page Reference: 347

Topic: Q3

Skill: RECALL

75) A model such as Porter's Five Forces can help to determine the competitive strategy for an organization.

Diff: 2

Type: FIB

Page Reference: 347

Topic: Q3

Skill: RECALL

76) Effectively managing information systems to support business objectives is a difficult process.

Diff: 3

Type: FIB

Page Reference: 347

Topic: Q3

Skill: RECALL

77) Stakeholder groups in the Zachman framework include planner, owner, designer, builder, implementer, and worker.

Diff: 3

Type: FIB

Page Reference: 348

Topic: Q3

Skill: RECALL

78) A(n) information systems audit is analogous to a financial audit.

Diff: 3

Type: FIB

Page Reference: 352

Topic: Q6

Skill: RECALL

79) The development of a(n) enterprise architecture can be critical when organizations are considering significant change.

Diff: 3

Type: FIB

Page Reference: 348

Topic: Q3

Skill: RECALL

80) The first step in understanding how business objectives can be supported by information systems is by defining the IS architecture.

Diff: 3

Type: FIB

Page Reference: 348

Topic: Q3

Skill: RECALL

81) A firm that matches its organizational objectives with its IT architecture is said to be in alignment.

Diff: 3

Type: FIB

Page Reference: 349

Topic: Q4

Skill: RECALL

82) To align organizational strategy with information systems, you need to match the IT architecture with organizational objectives.

Diff: 3

Type: FIB

Page Reference: 349

Topic: Q4

Skill: RECALL

83) Bill 198 is known as the Budget Measure Act.

Diff: 1

Type: FIB

Page Reference: 351

Topic: Q5

Skill: RECALL

84) The SOX act and Bill 198 both require management to create internal controls sufficient to produce reliable financial statements and to protect an organization's assets

Diff: 3

Type: FIB

Page Reference: 351

Topic: Q5
Skill: RECALL

85) An example of internal controls would be the separation of duties and authorities.

Diff: 3

Type: FIB

Page Reference: 351

Topic: Q5

Skill: RECALL

86) The goal of IS governance is to improve the benefits of an organization's IT investments over time.

Diff: 2

Type: FIB

Page Reference: 351

Topic: Q5

Skill: RECALL

87) IT can no longer appear to be a(n) black box to the organization's external stakeholders.

Diff: 3

Type: FIB

Page Reference: 351

Topic: Q5

Skill: RECALL

88) Situations created by companies like Enron and Worldcom were instrumental in the creation of the Sarbanes-Oxley Act in the USA.

Diff: 2

Type: FIB

Page Reference: 351

Topic: Q5

Skill: RECALL

89) Companies adopt COBIT's framework in order to follow industry best practices.

Diff: 2

Type: FIB

Page Reference: 352

Topic: Q6

Skill: APPLIED

90) As a CIO, one of your primary responsibilities is to make sure that your information systems are aligned with your business objectives.

Diff: 3

Type: FIB

Page Reference: 342

Topic: Q1
Skill: APPLIED

91) Green IT allows an organization to improve its triple bottom line.

Diff: 2

Type: FIB

Page Reference: 356

Topic: Q8

Skill: RECALL

92) In many instances green IT is simply a common sense approach.

Diff: 2

Type: FIB

Page Reference: 356

Topic: Q8

Skill: RECALL

93) When you use the sleep mode on your computer, you provide a(n) energy savings to your company.

Diff: 2

Type: FIB

Page Reference: 356

Topic: Q8

Skill: RECALL

94) A Green IT plan should include a plan on how to e-cycle old electronics.

Diff: 1

Type: FIB

Page Reference: 356

Topic: Q8

Skill: RECALL

95) In general, laptops use less power than desktop computer.

Diff: 1

Type: FIB

Page Reference: 356

Topic: Q8

Skill: RECALL

96) What is alignment?

Answer:

MIS researchers have suggested that alignment should be viewed as an ongoing process: fitting IT architecture to business objectives is a challenge that continually evolves. The alignment process works to take advantage of IT capabilities as they develop while at the same time maintaining a balance between business objectives and IT architecture. What

is important to recognize is that what works for one organization as a balance may not work for another. Alignment depends on business goals, the organizational context, and the state of IT architecture in an organization.

Diff: 2

Type: ES

Page Reference: 349

Topic: Q4

Skill: RECALL

97) What is the Zachman Framework?

Answer:

The Zachman framework was conceived by John Zachman at IBM in the 1980s. The framework divides systems into two dimensions: one is based on six reasons for communication (what—data, how—function, where—network, who—people, when—time, why—motivation), the other is based on stakeholder groups (Planner, Owner, Designer, Builder, implementor, and Worker). The intersection of these two dimensions helps to provide a relatively holistic view of the enterprise.

Diff: 2

Type: ES

Page Reference: 348

Topic: Q3

Skill: RECALL

98) What is information systems governance?

Answer:

Governance suggests some committee or political party has the ability to decide on expectations for performance, to authorize appropriate resources and power to meet expectations, and perhaps eventually to verify whether expectations have been met. In publicly traded organizations, one purpose of governance is to ensure, on the behalf of shareholders of a firm, that an organization produces good results while working to avoid bad results.

For business organizations, governance is often designed to work toward the development of consistent, cohesive management policies and verifiable internal processes. Managing at a corporate level often involves establishing the way in which boards oversee a corporation, and establishing the rules that apply to issues such as sourcing, privacy, security, and internal investments. The goal of IS governance is to improve the benefits of an organization's IT investment over time. Reporting structures and review processes can be established and can work over a period of time to improve

quality, reduce service costs and delivery time, reduce IT risks, and better support business processes.

Diff: 2

Type: ES

Page Reference: 350

Topic: Q5

Skill: RECALL

99) Why is information systems governance important?

Answer:

The increased need to report and disclose IS operational information will require employees at all levels of an organization to become more familiar with the issues facing information technology management. While this familiarity comes at a cost, the increased exposure to IT issues should improve the ability of organizations to use information technology more effectively and efficiently. An argument can be made that the result of increased reporting compliance should be improved alignment between organizational strategy and business objectives. Since compliance issues will remain for the foreseeable future, business students across all functions will improve from increased knowledge of IT issues.

Diff: 3

Type: ES

Page Reference: 350

Topic: Q5

Skill: APPLIED

100) What are Information System Ethics?

Answer:

It may seem as though there are few limits to the use of information technology and information systems to develop competitive advantage. But there are limits. For example, certain uses of IT may be against the law, and illegal behaviour has legal consequences. Another important limit for future business students to recognize is the limits placed on behaviour by ethics. Actions may not be illegal but they may be unethical. It is important to understand the difference.

Diff: 3

Type: ES

Page Reference: 353

Topic: Q7

Skill: RECALL

101) What are the three factors that make up the triple bottom line?

Answer:

- 1) Financial performance
- 2) Social performance
- 3) Environmental performance

Diff: 2

Type: ES

Page Reference: 356

Topic: Q8

Skill: RECALL

102) How does government regulation of e-waste affect a company that uses technology?

Answer:

Government regulation of e-waste means that the disposal of technology is and will become more difficult than it has in the past. With these regulations in place companies using technology will need to plan not only for acquisition of technology but also for its disposal.

Diff: 3

Type: ES

Page Reference: 356

Topic: Q8

Skill: APPLIED

103) What factors have brought IS governance and governance in general to the forefront of business planning?

Answer:

The action of companies like Enron and Worldcom along with their auditing firms in the late 1990s and early part of this century have brought corporate actions under the scrutiny of the government and the public in general. Legislation, criminal charges, and civil legal actions have made companies consider their actions more closely than ever before. Many organizations' boards of directors have mandated strong governance policies based on the fear of criminal and personal liability.

Diff: 3

Type: ES

Page Reference: 352

Topic: Q6

Skill: RECALL

104) If your company agrees to collaborate on a supply chain relationship with another firm. During the collaboration, you discover by mistake, they have given you access to all their inventory and sales data. You look at this and find that you can see the prices and quantities of products they are buying from all their other suppliers. This can give you an enormous advantage in competing for their business. What should you do?

Answer:

Many of the choices fall between unethical and illegal. One thing that you should keep in mind is that you want to establish a long-term relationship with this partner. Price is only one factor in influencing their decision to work with you. You could gather a little information here and there; enough that would enable you to know when to raise and lower your prices in order to beat out your competition. That you have unauthorized access even through their mistake could be construed as illegal or unethical at best. You should keep in mind that all systems like this will have an audit function. Once it is discovered the system has bugs in it, a good DBA can easily go in and uncover any unusual queries and data access (such as yours). So take the ethical and legal way from the beginning and prove to be an honest and trustworthy business partner from the very beginning. By revealing the security flaws in their system, it is likely that they will reward you with a closer and more profitable relationship in the long run.

Diff: 3

Type: ES

Page Reference: 353

Topic: Q7

Skill: APPLIED

105) What does the task of aligning business objectives with information systems entail?

Answer:

The main task is that of creating an information systems architecture that fully supports the business objectives of the organization. There is a need to make sure that business strategy, organizational strategy, and information strategy are balanced with one another and that each is supportive of the other.

Diff: 3

Type: ES

Page Reference: 349

Topic: Q4

Skill: RECALL