

Bahir Dar University Institute of Technology

Faculty of Computing

Enterprise System Model Exam

Time allowed: 1 hr

Choose the best answer from the given alternative

1. In which management level functions are highly unstructured?
  - A. Strategic level
  - B. Operational level
  - C. Mid-management level
  - D. Meddle-top level
2. No single information system can support all the business need because:
  - A. Every staff role has different information requirement
  - B. Each management layer has different information need
  - C. Due to increased layered of management hierarchy
  - D. All
3. With integrated information system there is an expectation that:
  - A. Focus on customers
  - B. Process efficiency
  - C. Create a team that brings employee cross functional areas
  - D. All
4. When we say a competitive business in ERP concept; we mean the business is NOT subjected to:
  - A. Cross functional
  - B. Dynamics
  - C. Global
  - D. Competitive oriented
5. How ERP become real-time data flow between functional applications?
  - A. By implementing an integrated information system
  - B. By focusing information flow in each departments
  - C. By building isolated software environment
  - D. By reenter and reusing information across all applications.
6. A series of activities in each departments in a given organization is called:
  - A. ERP
  - B. Business functions
  - C. Information Silos
  - D. Integrated system

7. One of the following ERP system components are different with that of in an Information System:
- A. Information
  - B. Process
  - C. People
  - D. None
8. Why each ERP components must be integrated and layered appropriately?
- A. Because there is a need of more flexible
  - B. Because Change of each layer affect much other layer
  - C. Because ERP and IS components are the same
  - D. Because of organization policies enforcement
9. If an organization purchase ERP application to implements its system, the system architecture will be driven by:
- A. An organization guidelines
  - B. Organization policies
  - C. Vendors
  - D. Customers' demands
10. One of the following is the system benefits of ERP system?
- A. Consistence and security
  - B. Information sharing
  - C. Quality of customer services
  - D. Efficiency of business process
11. ERP uses software application to \_\_\_\_\_ the processes of an organization.
- a) Automate
  - b) Speed
  - c) Growth
  - d) Analyze
12. Functions such as developing product, determine pricing and taking customer's ordering are included in to:
- a) A manufacturing and production
  - b) Marketing and sales
  - c) Accounting and finance
  - d) Human Resources
13. One of the following is NOT consist in Enterprise-wide process Integration system.
- a) Enterprise System
  - b) Customer relationship management system
  - c) Relational management system
  - d) Knowledge management system
14. System that communicate across organizational boundaries are:
- a) Inter-organizational system
  - b) Intra-organizational system
  - c) Extra-organizational system
  - d) Ex-intra-organizational system
15. Collection of activities that takes one or more kinds of input and create an output that is of the value to the customer is called:
- a) Business process
  - b) Information system
  - c) Companies' functional areas
  - d) Supply chain management

16. Which one of the following is NOT a part of an ERP implementation:

- a) Vender representation
- b) Employees team
- c) Customer
- d) Consultants

17. In the case of Marketing and Sales information system: customers' s sales order:-

- a) Pass to SCM for planning purpose
- b) Pass to A/F for billing
- c) Valuable to analyze sales
- d) All are answers.

18. One of the following is **helpful** to firms regarding to information usability inside SCM:

- a) Check inventory availability and monitor inventory level
- b) Consolidate customer data from multiple source
- c) Collects relevant knowledge and make it available
- d) Provide a unified view of customer across the company

19. input data such as, *payment for customers, production and inventory data, sales data and payroll data* are included in:

- a) Marketing and Sales(M/S) information system
- b) Supply Chain Management(SCM) information system
- c) Accounting and Finance (A/C) information system
- d) Human Resource (HR) information system

20. Collection of related activities that takes one or more kinds of inputs and create an output that is value to the customer is called:

- a) Functional areas
- b) Business function
- c) Business areas
- d) Enterprise Resource planning

21. . One of the following statements is **incorrect** about Enterprise system role in organization.

- a) Increased layer of management hierarchy makes business organization complex.
- b) Each management layer has different information requirements.
- c) Enterprise systems are designed to serve varied organization requirements.
- d) A single information system can support all the business needs.

22. ERP implementation to any enterprise starts with **working with Business Process Management (BPM)**. One of the following is **not included** in BPM?

- a) It helps to understand and control business processes clearly.
- b) It helps an organization to document their business process to provide emphasis.
- c) It helps to guide us how to begin with an understanding of the ERP life cycle.
- d) It helps to recognize how to improve business processes.

23. Which statement is **correct** about information silos in business organization management?

- a) With silos system, Organizations operate efficiently in today's competitiveness.
- b) With silos system, Organizations cannot be agile and flexible.
- c) With silos system, there will be increase of productivity as organization become large.
- d) With silos system, Organization acquires consistent data values.

24. An ERP system act as a central repository helps to:
- Eliminate data redundancy and inconsistency.
  - Make organizational functions accessible any time/ any place.
  - Extract business intelligence (BI) from the data.
  - Increase supply chain efficiency.
25. ERP vendors embedded the best business process practices to their software packages. Therefore; organizations maximize their benefits by taking those best practices if:
- Refuses for future upgrades when provided by vendors.
  - Changes business process to match with software functionalities.
  - Organizations do not make major modifications to their ERP packages.
  - b & c.
26. \_\_\_\_ is a series of activities grouped to achieve a business functions to full fill the organizational goal.
- Supply chain management
  - Enterprise Resource Planning
  - Business process
  - Organizational areas
27. With ERP components integration, ***the layered approach provides the ability to change layers without significantly affecting other layers***, this help organization to:
- Allows for scalability as organization needs to grow.
  - Decrease long turn maintenance of ERP application.
  - Implementing strategy into information flow efficiently.
  - Decrease operating cost.
28. A system's \_\_\_\_ is a blue print of the actual ERP system.
- ERP architecture
  - ERP package
  - ERP implementation
  - ERP life cycle
29. One of business benefit of ERP system is to increase agility of the organization. The underlined expression is to mean:
- Enhance business process engineering of organizational functions.
  - Increase Efficiency of business processes.
  - Linking and exchanging information in real time.
  - Responding to change in the environment for growth and flexibility.
30. \_\_\_\_ is understanding, visibility and control of business process.
- ERP
  - BU
  - BPM
  - ES
31. .ERP vanilla implementation' means:
- When ERP implementation with considerable modification to ERP SW package.
  - When purchased ERP system are minimally modified.
  - When purchased ERP system are modified if there is system update.
  - When every ERP vendor upgrades their system to add functionality.
32. Which ERP software is targeted for a large enterprise company (ERP market tiers I)?
- SAP
  - Sage
  - CDC software
  - NetSuite
33. What is an entrepreneur?
- Someone who invests time and money to start a business.
  - Someone who makes a lot of money.

C. Someone who takes a risk to make a profit.

D. Both A & C.

34. Define Free Enterprise:

A. A business taking a risk to make a profit.

B. A program administered by the Government.

C. People in business trying to make a profit.

D. A business adventure or undertaking.

35. The term ERP stands for

A. Enterprise Resource Programme

C. Enterprise Resource Planning

B. Enterprise Requirement Plan

D. None of the above

36. ERP system is a highly integrated, and enterprise wide information system that covers

A. All the functional areas of an organization

B. Manufacturing

C. zarea of an organization

D. Materials department of an organization

37. Important business challenges of business, which are the main driving reasons for adoption of ERP systems are

A. Competitive Environment

C. Enterprise Systems

B. Information Age

D. (a) and (b)

38. ERP systems provide a number of benefits which include

A. Reduced Inventory

C. Reduced cycle time

B. Reduced Manpower

D. All of the above

39. The ERP systems which are poorly conceived and/or poorly implemented, will

A. fail and would not be able to provide the desired results

B. may even prove fatal for the organization

C. succeed after two years

D. (a) and (b)

40. ERP systems play a vital role in supporting
- A. The business processes and operations of an organization
  - B. Decision making by employees and managers of an organization
  - C. The strategies of an organization for competitive advantage
  - D. All of the above
41. Any manager in an organization needs to understand
- A. The basic concepts of ERP System
  - B. The strategic planning process and the implementation process for ERP system
  - C. (a) and (b)
  - D. The computer programming used in ERP systems
42. ERP systems have evolved from
- A. The Materials Requirements Planning(MRP) Systems
  - B. The Manufacturing Requirements Planning(MRP II)
  - C. (a) and (b)
  - D. Artificial Intelligence Systems
43. Enterprise resource planning (ERP)
- A. has existed for over a decade
  - B. does not integrate well with functional areas other than operations
  - C. is inexpensive to implement
  - D. automates and integrates the majority of business processes
44. Enterprise resource planning (ERP)
- A. has been made possible because of advances in hardware and software
  - B. uses client/server networks Download more sets at [McqMate.com](http://McqMate.com)
  - C. creates commonality of databases
  - D. All of the above are true of ERP
45. Which of the following is false concerning enterprise resource planning (ERP)?
- A. It attempts to automate and integrate the majority of business processes.

B. It shares common data and practices across the enterprise.

C. It is inexpensive to implement.

D. It provides and accesses information in a real-time environment

46. All of the following are advantages of enterprise resource planning (ERP) except it

A. creates commonality of databases

B. increases communications and collaboration worldwide

C. helps integrate multiple sites and business units

D. requires major changes in the company and its processes to implement

47. Which of the following describes an ERP system?

A. ERP systems provide a foundation for collaboration between departments

B. ERP systems enable people in different business areas to communicate

C. ERP systems have been widely adopted in large organizations to store critical knowledge used to make the decisions that drive the organization's performance

D. All of the above

48. What is at the heart of any ERP system?

A. Information

C. Customers

B. Employees

D. Database

49. What must a system do to qualify as a true ERP solution?

A. Be flexible

B. Be modular and closed Download more sets at [McqMate.com](https://www.McqMate.com)

C. Extend within the company

D. All of the above

50. Which of the following is a reason for ERPs explosive growth?

A. ERP is a logical solution to the mess of incompatible applications

B. ERP addresses the need for global information sharing and reporting

C. ERP is used to avoid the pain and expense of fixing legacy systems

D. All of the above

51. Which of the following occurs when everyone involved in sourcing, producing, and delivering the company's product works with the same information?

- A. Eliminates redundancies
- B. Cuts down wasted time
- C. Removes misinformation
- D. All of the above

52. What are the primary business benefits of an ERP system?

- A. Sales forecasts, sales strategies, and marketing campaigns
- B. Market demand, resource and capacity constraints, and real-time scheduling
- C. Forecasting, planning, purchasing, material management, warehousing, inventory, and distribution
- D. All of the above

53. Who are the primary users of ERP systems?

- A. Sales, marketing, customer service
- B. Accounting, finance, logistics, and production
- C. Customers, resellers, partners, suppliers, and distributors
- D. All of the above

54. A major strength of MRP is its capability

- A. to minimize labor hours used in production
- B. for timely and accurate replanning Download more sets at [McqMate.com](http://McqMate.com)
- C. to reduce lead times
- D. to maximize production throughput

55. Material requirements plan specify

- A. the quantities of the product families that need to be produced
- B. the quantity and timing of planned order releases
- C. the capacity needed to provide the projected output rate
- D. the costs associated with alternative plans

56. Which of the following statements is true about the MRP plan when using lot for-lot ordering?

- A. The quantity of gross requirements for a child item is always equal to the quantity of planned order releases for its parent.



- B. The quantity of gross requirements for a child item is equal to the quantity of net requirements for its parent(s) multiplied by the number of child items used in the parent assembly.
- C. The quantity of gross requirements for a child item is always equal to the quantity of gross requirements for its parent.
- D. The quantity and gross requirements for a child item is always equal to the quantity of net requirements for its parent.

57. MRP II is accurately described as

- A. MRP software designed for services
- B. MRP with a new set of computer programs that execute on micro computers
- C. MRP augmented by other resource variables
- D. usually employed to isolate manufacturing operations from other aspects of an organization

58. Enterprise Resource Planning (ERP) is

- A. severely limited by current MRP computer systems
- B. not related to MRP
- C. an advanced MRP II system that ties-in customers and suppliers
- D. not currently practical

59. The extension of MRP which extends to resources such as labor hours and machine hours, as well as to order entry, purchasing, and direct interface with customers and suppliers is

- |                                 |                                   |
|---------------------------------|-----------------------------------|
| A. MRP II                       | C. the master production schedule |
| B. Enterprise Resource Planning | D. closed-loop MRP                |

60. Supply chain management is essentially the optimization of material flows and associated information flows involved with an organization's operations. To manage these flows, e-business applications are essential to bring such benefits as noted in 'Internet retailing' in 2010 which reported that the average rates of return to a high street retailer could be as high as 10%. What did the same source report as the average rate of return for UK e-commerce sites?

- |        |        |
|--------|--------|
| A. 15% | C. 12% |
| B. 22% | D. 18% |

61. Supply chain (SC) management involves the coordination of all supply activities of an organization from its suppliers to the delivery of products to its customers. There are various

features associated with this area of e-commerce and which refers to what is known as efficient consumer response (ECR):

- A. Creating and satisfying customer demand by optimizing strategies, promotions and product introductions
- B. The links between an organization and all partners involved
- C. Transactions between an organization and its customers and intermediaries
- D. None of the above

62. An organization's supply chain can be viewed from a system's perspective that starts with the acquisition of resources which are then transformed into products or services. Simply, put the sequence is represented:

- |   |                               |
|---|-------------------------------|
| A. Process - inputs - outputs           | C. Inputs - outputs - process |
| B. Sourcing - input - process - outputs | D. Inputs - process – outputs |

63. Logistics is an integral part of supply chain management. Which explanation best represents outbound logistics?

- A. A supply chain that emphasizes distribution of a product to passive customers
- B. The management of material resources entering an organization from its suppliers and other partners
- C. An emphasis on using the supply chain to deliver value to customers who are actively involved in product and service specification
- D. The management of resources supplied from an organization to its customers and intermediaries

64. The 'value chain' idea is a concept that has been well established for the past three decades and it refers to considering key activities that an organization can conduct to add value for the customer. It traditionally distinguished between primary activities and support activities. Why is this concept regarded as outdated with the development of e-business?

- A. There is a clear distinction between primary and support activities
- B. The concept still holds and does not need revision
- C. The support activities offer far more than just support
- D. Support activities have been subsumed under primary activities

65. What does the following definition refer to: an organization which uses communications technology to allow it to operate without clearly define physical boundaries between different functions?

- |                           |                         |
|---------------------------|-------------------------|
| A. Cloud organization     | C. E-organisation       |
| B. Base-free organization | D. Virtual organization |

66. Using digital communication to improve supply chain efficiency is dependent on effective exchange and sharing of information. The challenges of achieving standardized data formats and data exchange have given rise to the study of the optimization of the:

- A. Virtual integration
- B. Information asymmetry
- C. Information supply chain
- D. Vertical integration

67. The typical benefits of e-supply chain management gained by a B2B company are quite comprehensive. Which of the following is false though?

- A. Increased efficiency of individual processes
- B. Reduced complexity of the supply chain
- C. Increased costs through outsourcing
- D. Improved data integration between elements of the supply chain

68. What does a company's information system need to deliver to different parties who need to access the supply chain information of an organization, whether they be employees, suppliers, logistics service providers or customers?

- A. Password and user name reminders
- B. Supply chain visibility
- C. Radio-frequency identification of products
- D. None of the above

69. Key to re-structuring the supply chain is the need to examine the types of relationships between partners such as suppliers and distributors. Researchers have found that low cost is the main driver in managing supply partnerships and a restructuring will often require companies to:

- A. Reduce their number of suppliers
- B. Focus on core competencies
- C. Develop strong partnership relationships
- D. All of the above