

Here are the answers based on the provided text:

1. What do you mean by functional organizational structure? Explain drawbacks of functional organizational structure with real-life examples.

**Definition:**  
A functional organizational structure divides an organization into departments based on specialized functions, such as marketing, finance, HR, etc. Each function operates independently and focuses on its specific tasks.

- Drawbacks:**
- **Silo Effect:** Departments work in isolation, leading to poor communication and coordination.
    - *Example:* In a company, the production team might delay manufacturing because they are unaware of urgent sales demands, as communication with the sales team is minimal.
  - **Delayed Execution:** Information exchange between departments takes time, causing delays.
    - *Example:* A manual process for sharing customer feedback from the service team to the R&D team can result in late product updates.
  - **Limited Visibility:** Employees focus only on their tasks, losing sight of the overall organizational goals.
    - *Example:* Marketing may overpromise to customers without understanding the manufacturing team's constraints.

2. What different types of business processes will you find in a bank?

1. **Core Banking Processes:**
  - Customer account management.
  - Loan application and approval.
  - Deposit and withdrawal transactions.
2. **Support Processes:**
  - HR management (recruitment, payroll).
  - IT support for digital banking platforms.
3. **Managerial Processes:**
  - Risk assessment and compliance.
  - Financial performance monitoring.
4. **Customer-Facing Processes:**
  - Customer service (query resolution, account opening).
  - Digital banking services (online payments, mobile banking).

3. What is the relationship between business process and information system?

- **Business Process:** A sequence of tasks or activities to deliver a product or service.
- **Information System (IS):** A system that collects, processes, and disseminates data to support business processes.

- Relationship:**
- IS automates and streamlines business processes (e.g., ERP systems).
  - IS improves process visibility and coordination across departments.
  - IS supports decision-making by providing accurate and timely information.

**Example:** In an online retail business, IS enables order tracking, inventory management, and customer service, ensuring the seamless execution of the end-to-end process.

4. Differentiate between functional and cross-functional business processes with 1 example each.

Aspect	Functional Process	Cross-Functional Process
Definition	Processes within a single department or function.	Processes spanning multiple departments.
Focus	Specific tasks within a functional area.	Overall organizational objectives.
Example	Payroll managed by the HR department.	Order fulfillment involving sales, warehouse, and logistics.

5. Discuss application infrastructure for business information systems.

**Application Infrastructure Components:**

1. **Hardware:** Servers, storage devices, and network infrastructure to host systems.
2. **Software Platforms:** Operating systems and middleware for running business applications.
3. **Enterprise Systems:**
  - ERP systems (e.g., SAP) for managing cross-functional processes.
  - CRM systems for customer relationship management.
  - SCM systems for supply chain management.
4. **Data Management Tools:** Databases to store and manage organizational data.
5. **Network Infrastructure:** Connectivity between systems, including LAN, WAN, and cloud-based solutions.
6. **Security Systems:** Firewalls, encryption, and access control to protect data.

**Example:** A retail chain uses SAP ERP to integrate inventory, sales, and finance, supported by cloud infrastructure for scalability and accessibility.