



- Name: \_\_\_\_\_
  - Date: \_\_\_\_\_
  - Section: \_\_\_\_\_
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## **BUSN 315: Management Information Systems**

### **Quiz #1: Suggested Solutions**

**Fall 2025**

#### **INSTRUCTIONS:**

- Write your name, date, and section clearly at the top of the first page.
- This is a closed-book quiz. You may not use your textbook, class notes, or electronic devices.
- The quiz consists of three parts: Definitions, Multiple Choice, and Short Answers.
- For definitions, write in complete sentences. Limit each definition to 3 sentences.
- For multiple-choice questions, circle the single best answer. Only one option is correct.
- For short-answer questions, write your responses in complete sentences. Limit your response to 5 sentences or fewer.
- The total time allowed is 75 minutes. Manage your time carefully.

**Problem 1. Definitions****(6 Points Each)**

Select FOUR items on the list of items below, and provide a definition of the items that you chose.

- Complementary Assets
- Executive Support Systems
- Social Business
- Core Competency
- Enterprise Applications
- Big Data

- Complementary Assets:

Assets such as organizational processes, business models, or training that are necessary to realize value from an information system.

- Executive Support Systems (ESS):

Systems at the strategic level that provide senior managers with data and analysis tools to support long-term decision making.

- Social Business:

The use of social networking platforms inside or between organizations to enhance communication, collaboration, and knowledge sharing.

- Core Competency:

A firm's unique strengths or capabilities that give it a competitive advantage, often enhanced through IS.

- Enterprise Applications:

Systems that coordinate activities, decisions, and knowledge across functions, levels, and business units.

- Big Data:

Extremely large and complex datasets, often unstructured, that require advanced tools and analytics to process and generate insights.

**Problem 2. Multiple Choice****(4 Points Each)**

2.A. Which of the following best describes the behavioral view of an organization?

- a) A formal structure that converts resources into outputs
- b) A network of contracts between owners and employees
- c) A collection of rights, obligations, and relationships that evolve through conflict and resolution**
- d) A flat structure of managers and employees with little hierarchy

2.B. Which of the following best illustrates the purpose of a Knowledge Management System?

- a) Microsoft SharePoint enabling employees to store, share, and collaborate on documents**
- b) A payroll system automatically calculating employee wages and deductions
- c) Salesforce CRM centralizing customer interactions across regions
- d) Walmart's Retail Link system generating standardized reports for suppliers

2.C. Which of the following best illustrates the difference between data and information?

- a) A list of daily temperatures recorded in Chicago during July vs. a chart showing average July temperatures across U.S. cities**
- b) A payroll system calculating employee wages vs. Salesforce CRM tracking customer interactions
- c) Walmart's Retail Link system providing real-time inventory updates vs. UPS allowing customers to track shipments online
- d) An Amazon recommendation algorithm suggesting products vs. a cashier scanning barcodes at checkout

2.D. Which of the following is a managerial implication of organizational politics in IS adoption?

- a) IS implementation always leads to greater efficiency
- b) Political resistance is a major barrier and requires negotiation among stakeholders**
- c) Politics has little effect on IT since it is a technical decision
- d) Organizational politics matter only in small firms

**Problem 2. Multiple Choice (continued)****(4 Points Each)**

2.E. Which of the following is the best example of a firm using low-cost leadership as a competitive strategy with IS?

- a) Netflix using streaming technology to expand its product model
- b) Ritz-Carlton using IS to customize customer service
- c) Apple's iTunes Store revolutionizing digital music sales
- d) Walmart connecting checkouts directly to suppliers for inventory replenishment**

2.F. Which of the following is a key feature of an adhocracy structure?

- a) Hierarchical layers and centralized decision-making
- b) Stable environments and standardized routines
- c) Multidisciplinary teams adapting quickly to new conditions**
- d) Professional knowledge dominating organizational control

2.G. Which of the following is an example of network effects in IS strategy?

- a) Salesforce integrating global customer data
- b) A phone system becoming more valuable as more people adopt it**
- c) Walmart suppliers adjusting shipments based on checkout data
- d) A bank merger creating cost savings through economies of scale

2.H. Which of the following is NOT one of the forces in Porter's Competitive Forces Model?

- a) Bargaining power of suppliers
- b) Bargaining power of customers
- c) Technological change and innovation**
- d) Threat of substitute products or services

2.I. Which of the following best illustrates AI in competitive strategy?

- a) Netflix using recommendation algorithms to personalize viewing**
- b) A payroll system calculating wages automatically
- c) Walmart linking cash registers to suppliers
- d) A company experiencing operational disruption due to outdated systems

**Problem 3. Short Answer****(10 Points Each)**

3.A. Provide one example of how information systems can help reduce transaction costs.

Information systems reduce transaction costs by lowering the effort needed to search, negotiate, and monitor exchanges. Amazon Marketplace reduces search and negotiation costs by connecting buyers and sellers instantly, with transparent pricing and reviews.

3.B. Provide one example of how organizational culture can support or hinder successful IS adoption.

A company with a data-driven culture may embrace a new analytics system quickly and integrate it into decision making, while a company resistant to change may reject a new ERP system, preferring familiar manual processes.

3.C. How does the competitive forces model help managers assess their industry? Briefly describe one force and how IS can affect it.

The model helps managers analyze five forces, supplier power, customer power, new entrants, substitutes, and industry rivalry, to assess industry profitability. Some examples may include:

- CRMs reduces customer bargaining power by building loyalty and personalizing service.
- SCMs allow firms to source from multiple suppliers, lowering dependence on any single one.

3.D. What is the difference between a value chain and a value web? Why might a firm benefit from adopting a value web?

A value chain is a linear sequence of internal activities that create value within a single firm, while a value web is a flexible, networked system of firms working together to deliver value. Firms gain adaptability and speed in responding to market changes. For example, Amazon's value web links suppliers, logistics providers, and customers in real time.

• Original Score: \_\_\_\_\_

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• Original Date: \_\_\_\_\_

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