Experiencing MIS, 9e **(Kroenke)**
Chapter Extension 11 Enterprise Resource Planning (ERP) Systems

1) _____ is a suite of applications, a database, and a set of inherent processes for consolidating business operations into a single, consistent computing platform.
A) Enterprise resource planning
B) Customer relationship management
C) Warehouse management system
D) Supply chain management
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-1: What Is the Purpose of ERP Systems?
Classification: Concept

2) The primary purpose of an enterprise resource planning (ERP) system is integration.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-1: What Is the Purpose of ERP Systems?
Classification: Concept

3) What is the primary purpose of an enterprise resource planning (ERP) system?
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-1: What Is the Purpose of ERP Systems?
Classification: Concept

4) Who among the following is a part of a supply chain activity?
A) Jonathan, who is in charge of capacity planning
B) Zara, who is the head of marketing
C) Michael, who handles inventory management
D) Monica, who oversees customer management
Answer: C
AACSB: Reflective Thinking
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Application

5) Which of the following is a manufacturing activity that must be included in a true enterprise resource planning (ERP) product?
A) supplier management
B) capacity planning
C) sales prospecting
D) procurement
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

6) Customer relationship management (CRM), as an application that must be included in a true enterprise resource planning (ERP) product, includes _____.
A) cash management
B) HR management
C) sales prospecting
D) capacity planning
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

7) _____ activities include payroll, time and attendance, and benefits administration that must be integrated into applications in order to form a true enterprise resource planning (ERP) product.
A) Manufacturing
B) Supply chain
C) Human resource
D) Accounting
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

8) The process of maintaining a general ledger, which must be integrated into applications in order to form a true enterprise resource planning (ERP) product, is a(n) _____ activity.
A) supply chain
B) accounting
C) human resources
D) manufacturing
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

9) In _____, many enterprise resource planning customers will be able to store most of their data on cloud servers managed by cloud vendors and store sensitive data on servers that they manage themselves.
A) hybrid models
B) selective models
C) assorted models
D) customized models
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

10) Which of the following statements is TRUE of an enterprise resource planning (ERP) database?
A) An ERP solution contains the company's operational data.
B) A stored procedure is a computer program code stored within an ERP database that runs to keep the database consistent when certain conditions arise.
C) An ERP solution includes initial configuration data.
D) A trigger is a computer program code stored in an ERP database that is used to enforce business rules.
Answer: C
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

11) Which of the following statements describes a trigger?
A) It is a computer program stored within a database that runs to keep the database consistent when certain conditions arise.
B) It is a computer program stored in a database that is used to enforce business rules.
C) It is a set of inherent procedures in an enterprise resource planning (ERP) solution that implement standard business processes.
D) It is a programming paradigm that describes computation in terms of statements that change a program state.
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

12) What is a stored procedure?
A) It is a computer program stored within a database that runs to keep the database consistent when certain conditions arise.
B) It is an area of memory that is used for dynamic memory allocation.
C) It is a computer program stored in a database that is used to enforce business rules.
D) It is a software program that houses and serves business logic for use by multiple applications.
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

13) As an element of an enterprise resource planning (ERP) solution, supply chain includes scheduling, capacity planning, quality control, bill of materials, and related activities.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

14) Enterprise resource planning (ERP) vendors design application programs to be configurable so that development teams can alter them to meet customer requirements without changing program code.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

15) An enterprise resource planning (ERP) solution includes a database design, initial configuration data, and the company's operational data.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

16) A stored procedure is a computer program stored within a database that runs to keep the database consistent when certain conditions arise.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

17) An example of a stored procedure would be never to sell certain items at a discount.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

18) Process blueprints are the inherent processes in an enterprise resource planning (ERP) solution that implement standard business processes.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

19) Enterprise resource planning (ERP) training includes topics such as obtaining top-level management support.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

20) The enterprise resource planning (ERP) training sessions in which the implementing organization's employees teach the ERP trainers about the organization's processes are called train the trainer.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

21) Explain enterprise resource planning (ERP) application programs.
Answer: ERP vendors design application programs to be configurable so that development teams can alter them to meet customer requirements without changing program code. Accordingly, during the ERP development process, the development team sets configuration parameters that specify how ERP application programs will operate.
There are limits to how much configuration can be done. If a new ERP customer has requirements that cannot be met via program configuration, then it either needs to adapt its business to what the software can do or write, or pay another vendor to write, an application code to meet its requirement. Thus, choosing an ERP solution that has applications that function close to the organization's requirements is critically important to success.
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Concept

22) Which of the following tasks should be considered while implementing an enterprise resource planning (ERP) application?
A) creating an as-is model that summarizes current business procedures and practices
B) plunging the organization into the new system
C) modeling all current practices "as-is" and implementing them on ERP application
D) modifying every existing practice to match blueprint models
Answer: A
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

23) For implementing enterprise resource planning (ERP) systems, the first task is to create a model of current business procedures and practices, which is called the as-is model.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

24) The differences between as-is processes and the blueprint should be reconciled after the enterprise resource planning (ERP) system has been implemented.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

25) A new enterprise resource planning (ERP) implementation process cannot be carried out if a business is running on an old system.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

26) An enterprise resource planning (ERP) implementation depends primarily on the backing of a departmental manager.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

27) Explain briefly the steps for implementing enterprise resource planning (ERP) systems.
Answer: The first task in implementing ERP systems is to create a model of current business procedures and practices, which is called the as-is model. Managers and analysts then compare those as-is processes to the ERP process blueprints and note differences. The company then must find ways to eliminate the differences, either by changing the existing business process to match the ERP process or by altering the ERP system.
Once the differences between as-is processes and the blueprint have been reconciled, the next step is to implement the system. Before implementation starts, however, users must be trained on the new processes, procedures, and use of the ERP system's features and function. Additionally, the company needs to conduct a simulation test of the new system to identify problems. Then, the organization must convert its data, procedures, and personnel to the new ERP system. All of this happens while the business continues to run on the old system.
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

28) Which of the following aspects that impact enterprise resource planning (ERP) differs among companies of different sizes?
A) relevance of ERP systems
B) value chains
C) availability of skilled IT staff
D) basic business processes
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

29) Which of the following statements is TRUE of the impact of enterprise resource planning (ERP) on the IT staff of small organizations?
A) IT specialists in small organizations are dedicated to managing only the ERP system.
B) The IT staff in small organizations is isolated from senior management.
C) The chief information officer obtains the backing of the entire executive group for ERP implementation.
D) IT specialists in small organizations are spread very thin and often are in over their heads during an ERP implementation.
Answer: D
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

30) Nolan works for a food processing company that has an annual sales of $200 million. He heads the IT department in his organization. Given that Nolan's organization is midsized, which of the following statements is most likely to be TRUE of the effect of enterprise resource planning (ERP) on his department's staff?
A) His staff is often isolated from senior management.
B) ERP implementation in his organization will be part of a strategic process and, once begun, will have the full backing of the entire executive group.
C) Specialists in his department are spread very thin and often are in over their heads during an ERP implementation.
D) His organization employs only one or two IT specialists.
Answer: A
AACSB: Reflective Thinking
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Application

31) Which of the following statements is TRUE of the types of organizations that use enterprise resource planning (ERP)?
A) ERP vendors started selling ERP solutions to distributors after their success with the manufacturing industry.
B) Implementing ERP in organizations of different scales is difficult due to the differences in their basic business processes.
C) ERP procedures are uniform in large organizations operating in multiple countries.
D) Availability of IT personnel does not have an impact on ERP implementation.
Answer: A
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

32) Enterprise resource planning (ERP) was initially adopted by government and public service agencies to handle complex administrative tasks.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

33) Small organizations tend to employ only one or two IT specialists who not only manage the enterprise resource planning (ERP) system, but the entire IS department as well.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

34) In midsized organizations, the first step in moving toward enterprise resource planning (ERP) is to obtain deep senior-level management commitment to the project.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

35) Explain how organizations of different sizes use enterprise resource planning (ERP) differently.

Answer: Companies of different sizes have one very important difference that has a major impact on ERP: the availability of skilled IT personnel. Small organizations employ only one or two IT specialists who not only manage the ERP system, but the entire IS department as well. They are spread very thin and often are in over their heads during an ERP implementation. Smaller, simpler ERP solutions are common among these companies.

Midsized organizations expand IT from one person to a small staff, but frequently this staff is isolated from senior management. Such isolation creates misunderstanding and distrust. Because of the expense, organizational disruption, and length of ERP projects, senior management must be committed to the ERP solution. When IT management is isolated, such commitment is difficult to obtain and may not be strong. This issue is so prevalent that many ERP consultants say the first step in moving toward ERP is to obtain deep senior-level management commitment to the project.

Large organizations have a full IT staff that is headed by the chief information officer (CIO), who is a business and IT professional who sits on the executive board and is an active participant in organizational strategic planning. ERP implementation will be part of that strategic process and, once begun, will have the full backing of the entire executive group.

AACSB: Information Technology
Difficulty: 3: Challenging
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

36) _____ , purchased by Koch Equity in 2017, offers Business Cloud, an enterprise resource planning (ERP) solution that can be used as a software service, can be installed on the customer's servers and managed by personnel.
A) Sage
B) SAP
C) Infor
D) Oracle
Answer: C
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

37) In the future, which of the following Microsoft products is likely to be a TRUE enterprise resource planning (ERP) product for larger organizations?
A) Solomon
B) Nav
C) AX
D) GP
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

38) Which of the following statements is TRUE of Oracle's Classic enterprise resource planning (ERP) products?
A) Oracle has never been known to create easy-to-use ERP products.
B) Oracle traditionally does not develop its ERP products in-house.
C) Oracle's ERP products are not available on mobile devices.
D) Oracle's ERP products are not designed according to SOA principles and hence are non-customizable.
Answer: A
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

39) Which of the following statements is TRUE of enterprise resource planning (ERP) products offered by SAP?
A) SAP HANA is a SaaS (software as a service) cloud offering.
B) SAP does not have technical, marketing, sales, and customer support challenges.
C) Classic SAP uses thick-client, client/server architecture.
D) Because of its installed base, SAP can make a rapid move to cloud-based solutions.
Answer: C
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

40) Which of the following statements is TRUE of Microsoft's enterprise resource planning (ERP) products?
A) Dynamics CRM is a true ERP product used by large organizations.
B) GP is the easiest of Microsoft's ERP products to install.
C) Nav is likely to continue as a general-ledger program in the future.
D) AX is developed in-house by Microsoft.
Answer: B
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

41) Which of the following is a major disadvantage of mobile devices?
A) inability to process ERP applications
B) unsuitable for employees in all departments
C) security threat
D) not portable
Answer: C
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

42) Infor Business Cloud is an enterprise resource planning (ERP) solution that can be installed in a bare-bones way and offered as IaaS (infrastructure as a service).
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

43) Microsoft relies heavily on its network of independent software vendors to create customer solutions using the Solomon platform.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

44) Classic Oracle enterprise resource planning (ERP) products are designed according to SOA principles and hence are adaptable and customizable.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

45) SAP's enterprise resource planning (ERP) products are relatively economical compared to other companies' products.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

46) Infor's enterprise resource planning (ERP) products span the mid-range, serving higher-end small companies and lower-end large companies.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

47) PeopleSoft is an HR product developed in-house by Oracle.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

48) Microsoft offers its CRM product online as SaaS (software as a service), but it has no full enterprise resource planning (ERP) implementation in the cloud.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

49) Briefly describe Microsoft's enterprise resource planning (ERP) products.
Answer: Microsoft offers five ERP products, all obtained via acquisition: AX, Nav, GP, Solomon, and Dynamics CRM. AX and Nav have the most capabilities; GP is more limited but is easier to use. The future of Solomon is uncertain. Dynamics CRM is primarily a CRM product, but it is extensible in ways that enable customers to use it for ERP as well as CRM. Microsoft is in the process of consolidating its offerings. Most likely AX will continue going forward as a true ERP product for larger organizations. Dynamics CRM will serve as a CRM product as well as a platform for custom ERP solutions. GP, which is the easiest of the products to install, will continue as a general-ledger program that can also be used as a platform for simpler ERP solutions.
Microsoft relies heavily on its network of independent software vendors to create customer solutions using the Dynamics platform. These vendors take off-the-shelf Dynamics products and adapt and customize them for particular situations. Microsoft offers its CRM product online as SaaS, but it has no full ERP implementation in the cloud.
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

50) Briefly explain Infor's enterprise resource planning (ERP) products.
Answer: After Infor was purchased by private-equity investors, it bought many ERP companies. It now sells many ERP products for many different industries. These products vary in purpose, scope, and quality. They span the midrange, serving higher-end small companies and lower-end large companies.
Recently, Infor began to offer the Infor Business Cloud, an ERP solution that can be used as a software service, can be installed on the customer's servers and managed by Infor personnel, or can be installed in a bare-bones ways and offered as IaaS.
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

51) Which system allows critical business decisions to be made in a timely manner?
A) enterprise resource planning
B) customer relationship management
C) warehouse management system
D) supply chain management
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-1: What Is the Purpose of ERP Systems?
Classification: Concept

52) In the early 1980s and 1990s, some organizations attempted to develop their own ERP applications and procedures. What was the outcome?
A) Companies stopped because the process was too difficult.
B) Numerous ERP system were developed.
C) Companies decided to do away with ERP altogether.
D) Companies found it to be more cost efficient to develop their own ERP.
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-1: What Is the Purpose of ERP Systems?
Classification: Concept

53) Which of the following applications is NOT part of a true ERP product?
A) supply chain management
B) human resource department
C) accounting
D) helpdesk
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Application

54) Vendors sometimes train the organizations employees or _____ to become inhouse train the trainer sessions.
A) executive team
B) super users
C) information technology team
D) consultants
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Application

55) ERP system implementation can success without executive support.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

56) Which of the following is NOT a step in the "implement the ERP application" stage.
A) train users
B) model current processes
C) convert data
D) simulate and test
Answer: B
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

57) For an international ERP to be successful, the company must adopt a single "company language."
Answer: FALSE
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

58) Which is the following is major impact on ERP when an organization is small?
A) The availability of skilled IT personnel.
B) The fact that all small organizations have to outsource their IT.
C) Smaller organizations do not implement ERPs.
D) Smaller organizations form partnerships with other small organizations to implement complete ERP solutions.
Answer: A
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

59) SAP is the market leader in ERP products with over 45% market share.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

60) Which ERP vendor would most likely be chosen by a small company?
A) SAP
B) Oracle
C) Sage
D) Epicor
Answer: C
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

61) Even with solutions provided by ERP vendors, the process of converting from a non-ERP system to an ERP system is daunting and expensive.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-1: What Is the Purpose of ERP Systems?
Classification: Concept

62) If an organization is turning to cloud-based hosting but wants the vendor to manage the ERP software and offers it to customers as a service, the organization is most likely using _____.
A) Platform as a Service (PaaS)
B) SharePoint
C) hybrid models
D) Software as a Service (SaaS)
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-2: What Are the Elements of an ERP Solution?
Classification: Application

63) ERP implementations never need to be upgraded.
Answer: FALSE
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-3: How Are ERP Systems Implemented and Upgraded?
Classification: Concept

64) Small companies have a full IT staff headed by a chief information officer (CIO) and include ERP implementation as part of the strategic process.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-4: What Types of Organizations Use ERP?
Classification: Concept

65) Future uses of ERP systems will not just be people, but also devices and machines.
Answer: TRUE
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept

66) All of the following are true of ERP in the future concerning the Internet of Things EXCEPT _____.
A) ERP systems will adapt their software for 2D printing.
B) ERP systems will need to talk to devices.
C) ERP systems will have to make parts on demand.
D) ERP systems will schedule their own maintenance.
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the uses of enterprise systems and enterprise resource planning.
Learning Obj: LO CE11-5: How Do the Major ERP Vendors Compare?
Classification: Concept