Experiencing MIS, 9e **(Kroenke)**
Chapter 8 Processes, Organizations, and Information Systems

1) What is a business process?
A) Activities that receive input.
B) Processes that have to be conducted during business hours.
C) A network of activities that generate value by transforming inputs into outputs.
D) A project management solution to product creation.
Answer: C
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

2) _____ are formally defined, standardized processes that involve day-to-day operations.
A) Structured processes
B) Dynamic processes
C) Business processes
D) Support processes
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

3) Which of the following is a characteristic of workgroup information systems?
A) isolated problems
B) informal procedures
C) resistance to change
D) affects multiple organizations
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

4) Physician partnerships most likely use _____.
A) inter-enterprise information systems
B) workgroup information systems
C) enterprise information systems
D) departmental information systems
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

5) Which of the following statements is TRUE of workgroup information systems?
A) Workgroup information systems that support a particular department are called enterprise information systems.
B) Workgroup information systems that support a particular business function are called personal information systems.
C) The users of workgroup information systems are defined by levels of security authorization.
D) Workgroup information systems that support a particular department are sometimes called departmental information systems.
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

6) Which of the following is most likely to make use of an enterprise information system?
A) hospitals
B) drug salespersons
C) medical practice
D) physician partnerships
Answer: A
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

7) Which of the following is a characteristic of enterprise information systems?
A) They do not document procedures as the procedures are simple and informal.
B) They are shared between two or among more independent organizations.
C) They typically have hundreds to thousands of users.
D) They are limited to a single department in an organization.
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

8) Which of the following statements is TRUE of enterprise information systems?
A) They are information systems that are shared by two or more independent organizations.
B) The solutions to problems in these systems usually involve more than one department.
C) They typically support less than 100 users.
D) They are called personal information systems if they support a particular business function.
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

9) _____ are systems that are shared by two or more independent organizations.
A) Inter-enterprise information systems
B) Workgroup information systems
C) Enterprise information systems
D) Personal information systems
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

10) Functional information systems are information systems used by a single individual.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

11) Workgroup information systems that support a particular department are called personal information systems.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

12) Recruiting is an example of a human resource workgroup process.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

13) Processes can be divided into two broad categories — structured and fluid.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

14) Enterprise information systems have procedures that are formalized and extensively documented.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

15) Enterprise information systems are information systems that span an organization and support activities of people in multiple departments.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

16) Enterprise information systems are information systems that are shared by two or more independent organizations.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

17) The solutions to problems in an enterprise system usually involve more than one workgroup or department.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

18) In the case of workgroup information systems, problems are resolved by contract and litigation.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

19) Inter-enterprise information systems are information systems that are shared by two or more independent departments within an organization.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

20) Information silos exacerbate problems that may arise due to isolated information systems.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

21) What are personal information systems?
Answer: Personal information systems are information systems used by a single individual. The contact manager in an iPhone or in an email account is an example of a personal information system. Because such systems have only one user, procedures are simple and are generally not documented or formalized in any way. It is easy to manage change to personal information systems because only one person needs to adapt to the change. And, if there are problems, individual users can solve the problems themselves.
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

22) Describe the difference between structured and dynamic processes. Provide examples.
Answer: Examples may vary. Structured processes are formally defined, standardized processes that involve day-to-day operations: accepting a return, placing an order, purchasing raw materials, and so forth. Dynamic processes are flexible, informal, and adaptive processes that normally involve strategic and less structured managerial decisions and activities. Deciding whether to open a new store location and how best to solve the problem of excessive product returns are examples, as is using Twitter to generate buzz about next season's product line. Dynamic processes usually require human judgment.
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

23) What are enterprise information systems?
Answer: Enterprise information systems are information systems that span an organization and support activities in multiple departments. For example, at a hospital, doctors, nurses, the pharmacy, the kitchen, and others use information systems to track patients, treatments, medications, diets, room assignments, and so forth.
Enterprise information systems typically have hundreds to thousands of users. Procedures are formalized and extensively documented; users undergo formal procedure training. Sometimes enterprise systems include categories of procedures, and users are defined according to levels of expertise with the system as well as by levels of security authorization. The solutions to problems in an enterprise system usually involve more than one department. Because enterprise systems span many departments and involve potentially thousands of users, they are very difficult to change. Changes must be carefully planned, cautiously implemented, and users given considerable training. Sometimes users are given incentives and other inducements to motivate them to change.
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

24) Explain inter-enterprise information systems.
Answer: Inter-enterprise information systems are information systems that are shared by two or more independent organizations. Such systems typically involve thousands of users, and solutions to problems require cooperation among different, usually independently owned, organizations. Problems are resolved by meeting, contract, and sometimes by litigation. Because of the wide span, complexity, and multiple companies involved, such systems can be exceedingly difficult to change. The interaction of independently owned and operated information systems is required.
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

25) A(n) _____ exists when data are isolated in separated information systems.
A) walled garden
B) information silo
C) mashup
D) viral hook
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

26) Information silos arise as a result of _____.
A) data integration across several information systems within an organization
B) the sharing of an inter-enterprise information system with several organizations
C) too many users depending on a single enterprise-wide information system
D) data being isolated in systems that are separated across different organizational levels
Answer: D
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

27) Which of the following is an information systems application that supports the sales and marketing department in an organization?
A) HR planning
B) inventory management
C) lead tracking
D) recruiting
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

28) Customer management and lead generation are information systems applications that support an organization's _____.
A) accounting department
B) human resources department
C) sales and marketing department
D) customer service department
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

29) Which of the following departments in an organization is supported by information systems applications such as recruitment and compensation?
A) accounting department
B) operations department
C) human resources department
D) customer service department
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

30) Cost accounting and financial reporting are information systems applications that support an organization's _____.
A) manufacturing department
B) human resources department
C) accounting department
D) customer service department
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

31) _____ is an information systems application that supports the human resources department in an organization.
A) Assessment
B) Budgeting
C) Customer management
D) Cash management
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

32) Which of the following is a problem posed by information silos?
A) Data cannot be duplicated.
B) A lot of file space is wasted.
C) The interdependence between various information systems applications increases.
D) There is a lack of integrated enterprise information.
Answer: D
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

33) The problems posed by information silos ultimately lead to _____.
A) diseconomies of scope
B) increased costs for an organization
C) diminishing marginal returns
D) reduced organizational innovation
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

34) _____ is the activity of altering the existing business processes and designing new ones to take advantage of new information systems.
A) Business process management
B) Business process reengineering
C) Business process outsourcing
D) Business process interoperability
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

35) Which of the following statements is TRUE of business process reengineering?
A) It is a very fast process and is easy to carry out.
B) When combined with enterprise resource planning (ERP), it has a 100 percent success rate.
C) It is a very expensive process.
D) Due to its streamlined processes, it requires no expertise.
Answer: C
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

36) Information silos arise when entities at one organizational level in a company create information systems that meet only their particular needs.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

37) The major issue caused by information silos is wasted file space.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

38) When an organization has inconsistent duplicated data, it is said to have a data integrity problem.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

39) Data inconsistency is a major problem caused by information silos at the department level.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

40) Enterprise application integration (EAI) refers to the activity of altering existing business processes and designing new ones to take advantage of new information systems.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

41) Business process reengineering is extremely fast and economical.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

42) What are information silos?

Answer: Information silos are the conditions that exist when data are isolated in separated information systems. Silos come into existence as entities at one organizational level create information systems that meet only their particular needs. The major problems caused by information silos at department level include data duplication and data inconsistency, disjointed processes, limited information and lack of integrated information, isolated decisions leading to organizational inefficiencies, and increased expenses for a company. When an organization has inconsistent duplicated data, it is said to have a data integrity problem.

AACSB: Information Technology

Difficulty: 1: Easy

Course LO: Discuss the key issues involved in managing the components of IT infrastructure.

Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?

Classification: Concept

43) What are the problems caused by information silos?

Answer: As organizations grow, information silos will eventually lead to duplication of data and cause potentially serious problems. First, data are duplicated because each application has its own database. Next, when applications are isolated, business processes are disjointed. A consequence of such disjointed systems is the lack of integrated enterprise information. This leads to the fourth consequence: inefficiency. When using isolated functional applications, decisions are made in isolation. Without integration, the left hand of the organization doesn't know what the right hand of the organization is doing. Finally, information silos can result in increased cost for the organization. Duplicated data, disjointed systems, limited information, and inefficiencies all mean higher costs.

AACSB: Information Technology

Difficulty: 3: Challenging

Course LO: Discuss the key issues involved in managing the components of IT infrastructure.

Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?

Classification: Concept

44) How can organizations solve the problems caused by information silos?

Answer: An information silo occurs when data is stored in isolated systems. The obvious way to fix such a silo is to integrate the data into a single database and revise applications and business processes to use that database. If that is not possible or practical, another remedy is to allow the isolation, but to manage it to avoid problems.

Isolated data created by workgroup information systems can be integrated using enterprise-wide applications. Isolated data created by information systems at the enterprise level can be integrated into inter-enterprise systems using distributed applications that process data in a single cloud database or that connect disparate, independent databases so that applications can process those databases as if they were one database.

AACSB: Information Technology

Difficulty: 2: Moderate

Course LO: Discuss the key issues involved in managing the components of IT infrastructure.

Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?

Classification: Concept

45) What is business process reengineering?
Answer: Business process reengineering is the activity of altering existing and designing new business processes to take advantage of new information systems. Unfortunately, business process reengineering is difficult, slow, and exceedingly expensive. Systems analysts need to interview key personnel throughout the organization to determine how best to use the new technology. Because of the complexity involved, such projects require high-level and expensive skills and considerable time. Many early projects stalled when the enormity of the project became apparent.
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

46) Inherent processes are _____.
A) time-consuming business processes that involve substantial investment
B) predesigned procedures for using software products
C) the set of procedures that help companies implement business process reengineering
D) business process reengineering techniques with low success rates
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

47) Which of the following statements is TRUE of inherent processes?
A) Inherent processes are almost always a perfect fit.
B) Organizations cannot license the software used in inherent processes.
C) Inherent processes are expensive and time-consuming.
D) Inherent processes provide an alternative to business process reengineering.
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

48) The first phase in the customer life cycle involves _____.
A) sending messages to target audiences to attract customer prospects
B) attempting to win back high-value customers
C) converting prospects into customers who need to be supported
D) increasing the value of existing customers by selling more products to them
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

49) During the _____ phase of the customer life cycle, prospects become customers who need to be supported by the organization.
A) customer engagement
B) marketing
C) customer acquisition
D) relationship management
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

50) Which of the following is a component of relationship management?
A) converting prospects into customers who need to be supported
B) increasing the value of existing customers by selling them more products
C) positioning products in the minds of customers through promotional strategies
D) sending messages to target audiences to attract customer prospects
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

51) During which of the following phases of the customer life cycle do win-back processes categorize customers according to value?
A) customer acquisition
B) marketing
C) relationship management
D) loss/churn
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

52) _____ is the last phase in the customer life cycle.
A) Marketing
B) Customer acquisition
C) Loss/churn
D) Relationship management
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

53) Which of the following statements is TRUE of customer relationship management (CRM) systems?
A) They are applications used for consolidating business operations into a single, consistent, computing platform.
B) They vary in the degree of functionality they provide.
C) They incorporate accounting, manufacturing, inventory, and human resources applications.
D) A major disadvantage of these systems is a lack of consistency in data.
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

54) Enterprise resource planning (ERP) helps in _____.
A) consolidating business operations into a single, consistent computing platform
B) managing all the interactions with customers
C) providing layers of software that connect applications together
D) connecting several enterprises within the same industry
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

55) Which of the following statements is TRUE of enterprise resource planning (ERP)?
A) ERP is a suite of software applications that integrates existing systems by providing layers of software that connect applications together.
B) The two major components of ERP systems are manufacturing applications and inventory applications.
C) ERP is also referred to as enterprise application integration (EAI) due to its highly efficient integration properties.
D) ERP systems are used to forecast sales and to create manufacturing plans and schedules to meet those forecasts.
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

56) _____ is the worldwide leader of enterprise resource planning (ERP) vendors.
A) TQM
B) EAI
C) SCM
D) SAP
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

57) Enterprise resource planning (ERP) was originally used in the _____ domain.
A) accounting
B) customer support
C) manufacturing
D) human resources
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

58) _____ is a suite of software applications that consolidates existing systems by providing layers of software that connect applications together.
A) Enterprise resource planning (ERP) system
B) Enterprise application integration (EAI)
C) Customer relationship management (CRM) system
D) Rich internet application (RIA)
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

59) Which of the following is a function of enterprise application integration (EAI)?
A) It is used to forecast sales and to create manufacturing plans to meet those forecasts.
B) It manages all the interactions with customers, from lead generation to customer service.
C) It creates information silos by departmentalizing applications.
D) It enables existing applications to communicate and share data.
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

60) Which of the following statements is TRUE of enterprise application integration (EAI)?
A) A disadvantage of the EAI software is the lack of metadata files that describe where data are located.
B) The layers of EAI software prevent existing applications from communicating with each other.
C) EAI makes use of a centralized database that acts as a "virtual integrated database" for users to process.
D) EAI software can be configured to automatically make conversions needed to share data among different systems.
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

61) The expenses and risks associated with the implementation or upgrading of enterprise systems arise from the _____.
A) need for encrypting a company's data before an enterprise system can use the data
B) lack of resources within a company to handle the implementation of the system
C) lack of variety in the enterprise systems currently being sold in the market
D) resistance from a company's employees to changes in existing systems
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss the key issues involved in managing the components of IT infrastructure.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

62) When implementing new enterprise systems in a company, process issues that may arise can be effectively resolved by _____.
A) encouraging entities at different organizational levels to create separate information systems
B) developing committees and steering groups for process management
C) bringing conciliators or arbitrators into the company to sort the issues
D) giving the responsibility of resolving issues to the company's CEO
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

63) _____ is a major issue faced by companies when implementing enterprise systems.
A) The failure of applications to communicate and share data with each other
B) The failure to incorporate accounting and human resource applications
C) The lack of a centralized database where important data such as metadata can be stored
D) The gap between the requirements of an organization and the capabilities of an application
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

64) _____ is a person's belief that he or she can be successful at his or her job.
A) Extroversion
B) Conscientiousness
C) Self-actualization
D) Self-efficacy
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.5: What Are the Challenges of Implementing and Upgrading Enterprise Information Systems?
Classification: Concept

65) Inter-enterprise ARES systems are referred to as _____ because in such systems processing is divided across multiple computing devices.
A) distributed systems
B) departmental information systems
C) business intelligence systems
D) integrated systems
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

66) Inherent processes save organizations from expensive and time-consuming business process reengineering.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

67) The second phase of the customer life cycle is customer acquisition.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

68) The last phase of the customer life cycle is relationship management.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

69) Every contact and transaction with a customer is recorded in the CRM database.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

70) Enterprise resource planning (ERP) incorporates accounting, manufacturing, inventory, and human resources applications.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

71) SAP offers industry-specific packages that customize its product for particular uses.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

72) Enterprise application integration (EAI) is used to forecast sales and create manufacturing plans to meet those forecasts.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

73) Enterprise application integration (EAI) connects system "islands" via a new layer of software.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

74) Unlike departmental systems in which a single department manager is in charge, enterprise systems have no clear boss.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

75) The work of committees and steering groups developed for providing process management is slow and expensive.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

76) Most organizations today create their own enterprise systems from scratch.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

77) Transitioning from one enterprise system to a new enterprise system is fairly easy due to the integrated steps involved in the process.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

78) Implementing new enterprise systems can improve efficiency of an organization.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

79) One of the reasons why people fear change is because it threatens their self-efficacies.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.5: What Are the Challenges of Implementing and Upgrading Enterprise Information Systems?
Classification: Concept

80) Describe customer relationship management (CRM) system.
Answer: A CRM system is a suite of applications, a database, and a set of inherent processes for managing all the interactions with the customer, from lead generation to customer service. Every contact and transaction with the customer is recorded in the CRM database. Vendors of CRM software claim using their products makes the organization customer-centric. A CRM database includes solicitation and lead management application, sales application, relationship management application, and customer support application.
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

81) Explain the four phases of the customer life cycle.
Answer: The four phases of the customer life cycle are marketing, customer acquisition, relationship management, and loss/churn. Marketing sends messages to the target market to attract customer prospects. When prospects order, they become customers who need to be supported. Additionally, relationship management processes increase the value of existing customers by selling them more products. Inevitably, over time the organization loses customers. When this occurs, win-back processes categorize customers according to value and attempt to win back high-value customers.
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

82) What is enterprise resource planning (ERP)?
Answer: ERP is a suite of applications, a database, and a set of inherent processes for consolidating business operations into a single, consistent, computing platform. ERP includes the functions of CRM and also incorporates accounting, manufacturing, inventory, and human resources applications. ERP systems are used to forecast sales and to create manufacturing plans and schedules to meet those forecasts. Manufacturing schedules include the use of material, equipment, and personnel and thus need to incorporate inventory and human resources applications. Because ERP includes accounting, all of these activities are automatically posted in the general ledger and other accounting applications.
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

83) What are some of the benefits of enterprise application integration (EAI)?
Answer: EAI is a suite of software applications that integrates existing systems by providing layers of software that connect applications together. Although there is no centralized EAI database, EAI software keeps files of metadata that describe where data are located. Users can access the EAI system to find the data they need. In some cases, the EAI system provides services that supply a "virtual integrated database" for the user to process. The major benefit of EAI is that it enables organizations to use existing applications while eliminating many of the serious problems of isolated systems. Converting to an EAI system is not nearly as disruptive as converting to enterprise resource planning (ERP). It also provides many of the benefits of ERP. Some organizations develop EAI applications as a stepping stone to complete ERP systems.
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

84) Standards such as http, https, html5, css3, JavaScript, and Web services enable programs on varied and disparate devices to flexibly communicate with the cloud servers and database and indirectly communicate with each other.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.6: How Do Inter-Enterprise IS Solve the Problems of Enterprise Silos?
Classification: Concept

85) Your contact manager on your mobile phone is an example of a(n) _____.
A) workgroup information system
B) personal information system
C) functional information system
D) departmental information system
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

86) A workgroup typically has between 100 and 1000 users.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

87) A _____ is an example of a functional IS.
A) prospect tracking application
B) accounts payable system
C) departmental information systems
D) healthcare exchange
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

88) _____ is the classic example of an inter-enterprise information system.
A) A personal contact management system
B) Information shared between departments in the same organization
C) Supply chain management
D) Users in one hospital
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

89) A(n) _____ the condition that exists when data are isolated in separated information systems.
A) database
B) information silo
C) functional information system
D) data silo
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

90) Lead generation is a common departmental information system activity in the _____ department.
A) operations
B) accounting
C) customer service
D) sales and marketing
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

91) Julie called the customer service department because her address was correct on the website, but incorrect on the internal website the company is experiencing a(n) _____.
A) data integrity problem
B) information system issue
C) information silo problem
D) operations issue
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.3: How Do Enterprise Systems Solve the Problems of Departmental Silos?
Classification: Concept

92) _____ is a person's belief that he or she can be successful at his or her job.
A) Extroversion
B) Conscientiousness
C) Self-actualization
D) Self-efficacy
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

93) _____ is a favorable target for crime.
A) The mobile phone
B) The employee
C) New technology
D) ERP
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

94) All of the following are challenges in implementing an enterprise system EXCEPT
_____.
A) employee resistance
B) transition problems
C) self-actualization
D) requirements gaps
Answer: C
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.4: How Do CRM, ERP, and EAI Support Enterprise Processes?
Classification: Concept

95) Applications that are processed across multiple computing devices is known as a _____.
A) distributed system
B) Web enabled service
C) HTML5 application
D) multi-tiered system
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Discuss best practices for using and managing databases.
Learning Obj: LO 8.6: How Do Inter-Enterprise IS Solve the Problems of Enterprise Silos?
Classification: Concept

96) _____ are flexible, informal, and adaptive processes that normally involve strategic and less structured managerial decision and activities.
A) Structured processes
B) Dynamic processes
C) Business processes
D) Support processes
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Compare and contrast different business intelligence systems.
Learning Obj: LO 8.1: What Are the Basic Types of Processes?
Classification: Concept

97) _____ is a measure of the ratio of process outputs to inputs.
A) Process efficiency
B) Process effectiveness
C) Inter-enterprise process
D) Self-efficiency
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

98) What is the definition of process effectiveness?
A) The measure of the ratio of inputs to outputs.
B) A measure of how well a process achieves organizational strategy.
C) A measure of how well each workgroup achieves a goal.
D) When a process spans two more organizations.
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

99) All of the following are ways processes can be improved EXCEPT _____.
A) changing the process structure
B) changing the process resources
C) changing both process structure and resources
D) changing the client's expectation of the current process
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

100) All of the following are ways to improve process quality EXCEPT _____.
A) ignoring the process structure
B) reorganizing the process
C) increasing process effectiveness
D) eliminating an activity
Answer: A
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

101) Which of the following is an example of using information systems to improve process quality?
A) Automated credit checks.
B) Calling the airline to have a customer service representative book a flight.
C) Having the data team manually check for input errors.
D) A salesperson writing out the order.
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

102) Changing process structure can also increase process effectiveness.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

103) Business process activities are accomplished only with information systems.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

104) List the three ways an information system can improve process quality.
Answer: Information systems can be used to improve process quality by performing an activity, augmenting a human who is performing an activity, or controlling data quality and process flow.
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

105) All of the following are true of implementing a new enterprise system EXCEPT _____.
A) risky
B) difficult
C) challenging
D) low-cost
Answer: D
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.5: What Are the Challenges of Implementing and Upgrading Enterprise Information Systems?
Classification: Concept

106) When implementing or upgrading a new information systems expense and risks arise from all of the following EXCEPT _____.
A) collaborative management
B) definite requirements
C) employee resistance
D) new technology
Answer: B
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

107) Which is the TRUE of collaborative management?
A) There is not clear boss.
B) The gaps are identified by one department.
C) Transitions of the requirements rotate amongst departments.
D) There is employee resistance because no one wants to be in charge.
Answer: A
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

108) Enterprise projects are never late.
Answer: FALSE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

109) Legal risks make it difficult for an enterprise system to move to the cloud.
Answer: TRUE
AACSB: Information Technology
Difficulty: 1: Easy
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept

110) Describe some challenges organizations face when employees want to use mobile devices to access enterprise system data.
Answer: Employees want to use mobile devices to access and even modify enterprise system data. But mobile devices are just that–mobile. The enterprise system may be exposed to considerable risk while outside the control of the organization. And ERP data is a juicy target for crime. These factors don't mean organizations cannot use new technology with enterprise systems, but they do add challenges.
AACSB: Information Technology
Difficulty: 2: Moderate
Course LO: Describe the components of an information system (IS).
Learning Obj: LO 8.2: How Can Information Systems Improve Process Quality?
Classification: Concept