



Republic of the Philippines
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IS411 – IS STRATEGY, MANAGEMENT AND ACQUISITION
Final Examination
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Name: _____ Course & Section _____ Score: _____

Test I. True or False. Read each statement carefully. If the statement is **correct**, write **True**.
If the statement is **incorrect**, write **False**.

1. MIS stands for Management Information System.
2. An MIS helps organizations by only storing data and not supporting decision-making.
3. Using MIS to automatically generate weekly sales reports is an example of applying information systems to business operations.
4. If a company's MIS produces conflicting reports from different departments, this may indicate a lack of integration.
5. An MIS that is popular among competitors is always the best choice for your organization.
6. Before designing an MIS, it's essential to understand the specific information needs of the organization.
7. Outsourcing is a common sourcing strategy where an organization hires an external vendor to provide IT services.
8. Insourcing means hiring a third-party vendor to develop and maintain internal IT systems.
9. A company choosing cloud services to host its data rather than building its own data center is applying an IS sourcing decision.
10. If a company experiences delays and cost overruns with an offshore vendor, it may need to analyze risks related to cultural and time-zone differences.
11. The lowest-cost vendor should always be selected for outsourcing an information system.
12. When designing a sourcing strategy, it's essential to align it with business goals and assess internal capabilities.
13. A system development life cycle (SDLC) is a structured process used for acquiring and developing information systems.
14. Cloud-based solutions are only used for storing marketing materials, not for hosting enterprise applications.
15. Choosing a commercial off-the-shelf (COTS) application instead of building a custom

system is an example of applying a sourcing decision.

16. If an organization experiences integration issues after acquiring a new system, it should analyze compatibility with existing infrastructure.

17. The best information system solution is always the most technologically advanced option.

18. When planning the acquisition of a new information system, defining business requirements should come before selecting a vendor.

Test II. Multiple Choice.

Read each question carefully before selecting the best answer. Choose the single best answer for each question by encircling A, B, C, or D.

19. Who typically oversees the Management Information Systems function in an organization?

- A. Chief Operating Officer (COO)
- B. Chief Executive Officer (CEO)
- C. Chief Information Officer (CIO)
- D. Human Resource Manager

20. What is the primary role of the MIS department within an organization?

- A. To design marketing strategies
- B. To maintain and support IT infrastructure and information flow
- C. To manage physical office spaces
- D. To prepare tax filings

21. Which of the following shows the application of MIS structure in a multinational company?

- A. Each regional office uses a different, non-connected system
- B. The central MIS team integrates data from all regions for top-level reporting
- C. No formal MIS roles exist
- D. Employees are trained in manual recordkeeping

22. An organization finds that IT staff report to different departments with no central coordination. What is the most likely issue?

- A. Too many cloud subscriptions
- B. A decentralized MIS structure lacking governance
- C. An overqualified workforce
- D. Redundant backup systems

23. Which factor is most important when evaluating the effectiveness of an MIS organizational structure?

- A. Number of employees in the IT department
- B. How well the structure supports business strategy and agility
- C. Whether the CIO reports to the CFO

D. Number of systems used

24. When designing a new MIS organizational model for a growing startup, what should be prioritized?

- A. Choosing the latest programming languages
- B. Ensuring alignment of MIS roles with strategic business objectives
- C. Purchasing expensive hardware first
- D. Hiring only external IT consultants

25. What is the term used for obtaining IT services or systems from an external vendor?

- A. Outsourcing
- B. Insourcing
- C. Crowdsourcing
- D. Franchising

26. Why might an organization choose to outsource its IT infrastructure management?

- A. To focus on core business activities and reduce costs
- B. To increase its internal headcount
- C. To create more complex processes
- D. To manage its hardware systems internally

27. A company needs to reduce costs while improving the quality of its IT services. Which sourcing strategy should it adopt?

- A. Insourcing
- B. Outsourcing to a low-cost, high-quality vendor
- C. Developing in-house IT solutions
- D. Completely eliminating IT services

28. What is the primary risk associated with offshore outsourcing of IT services?

- A. Higher operational costs
- B. Increased face-to-face communication
- C. Cultural and language barriers leading to miscommunication
- D. Limited scalability of the solution

29. Which factor is most critical when evaluating a vendor for outsourcing IT services?

- A. The vendor's geographic location
- B. The vendor's reputation and track record in delivering quality service
- C. The vendor's advertising budget
- D. The vendor's pricing compared to competitors

30. When developing an in-house IT system, what should be the first step in the sourcing process?

- A. Selecting a development tool

- B. Analyzing the business needs and requirements
- C. Hiring external consultants
- D. Choosing hardware components

31. Which of the following is an example of an information systems infrastructure component?

- A. Cloud storage
- B. Data encryption techniques
- C. User interface design
- D. Software documentation

32. Why is it important to align business goals with the acquisition of new information systems applications?

- A. To ensure the system is technically advanced
- B. To maximize return on investment and operational efficiency
- C. To reduce hardware costs
- D. To improve software user interface design

33. Which of the following would be most useful for an organization acquiring an enterprise resource planning (ERP) system?

- A. Hiring a vendor that only provides basic customer service
- B. Selecting a system that integrates with existing applications and improves data flow
- C. Using an ERP system only for accounting functions
- D. Ignoring end-user feedback when choosing the system

34. A company has decided to upgrade its existing IT infrastructure. What should be the first step in this process?

- A. Immediately purchase the newest hardware available
- B. Analyze the current infrastructure for gaps and inefficiencies
- C. Choose software vendors with the lowest price
- D. Outsource the entire process to an external firm

35. What is the most critical factor when selecting an information system application for your organization?

- A. The software's compatibility with your current systems
- B. The popularity of the software among competitors
- C. The vendor's proximity to your company
- D. The aesthetic design of the software

36. You are tasked with designing a new application for your company's sales team. What is the first step in the acquisition process?

- A. Choose the most expensive solution available
- B. Analyze the sales team's specific needs and requirements
- C. Focus solely on the software's ability to store customer data

D. Skip the requirements analysis and begin development immediately

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