

# MIS Quiz

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## Chapter 1: Information Systems in Global Business Today

1. Which of the following is NOT one of the three major technological trends in Management Information Systems mentioned in the text?

- A) Emerging mobile digital platform
- B) Big Data
- C) Cloud Computing
- D) Artificial General Intelligence

2. A “digital firm” is characterized by which of the following?

- A) High reliance on manual labor
- B) Core business processes accomplished through digital networks
- C) Centralized mainframe computing only
- D) Local-only business relationships

3. Which of the following is NOT one of the six strategic business objectives of information systems?

- A) Operational Excellence
- B) Improved Decision Making
- C) Survival
- D) Employee Surveillance

4. Raw facts representing events, such as bar code readings, are defined as:

- A) Information
- B) Knowledge
- C) Data
- D) Intelligence

5. Which three activities in an information system produce the information organizations need?

- A) Input, Processing, Output
- B) Data, Software, Hardware
- C) Analysis, Design, Implementation

D) Input, Storage, Deletion

**6. Which dimension of information systems involves the physical equipment used for input, processing, and output?**

- A) Organization
- B) Management
- C) Information Technology
- D) Complementary Assets**

**7. In the organizational hierarchy, who is primarily responsible for making long-range strategic decisions?**

- A) Operational Management**
- B) Middle Management
- C) Senior Management
- D) Knowledge Workers

**8. Which discipline contributes to the technical approach to information systems?**

- A) Sociology
- B) Psychology
- C) Computer Science**
- D) Economics

**9. The “sociotechnical systems” perspective suggests that optimal organizational performance is achieved by:**

- A) Maximizing technology regardless of human needs
- B) Focusing solely on employee happiness
- C) Jointly optimizing both social and technical systems**
- D) Ignoring organizational structure

**10. Assets required to derive value from a primary investment, such as a supportive business culture, are called:**

- A) Primary Assets**
- B) Complementary Assets
- C) Depreciation Assets
- D) Hidden Assets

**11. Which company is mentioned as using handheld devices (DIAD) and extensive IS for package tracking?**

- A) FedEx
- B) DHL
- C) UPS**
- D) USPS

**12. The Finnish company Ponsse is used as a case study for using IS in which industry?**

- A) Automobile manufacturing
- B) Wood harvesting/forestry
- C) Mobile phone production
- D) Shipping

**13. What is the approximate annual growth rate of digital information mentioned?**

- A) 1 terabyte
- B) 5 exabytes
- C) 10 petabytes
- D) 500 gigabytes

**14. Which level of management typically monitors and controls the business and makes mid-level decisions?**

- A) Senior Management
- B) Middle Management
- C) Operational Management
- D) Data Workers

**15. Feedback in an information system is defined as:**

- A) The raw input data
- B) The processing power of the CPU
- C) Output returned to help evaluate or correct input
- D) The electrical power consumption

**16. Which of the following is an example of an Organizational Complementary Asset?**

- A) Strong IS development team
- B) Incentives for innovation
- C) Internet infrastructure
- D) Technology standards

**17. Which of the following is an example of a Managerial Complementary Asset?**

- A) Efficient business processes
- B) Teamwork and collaboration environments
- C) Technology service firms
- D) Decentralized authority

**18. The behavioral approach to information systems includes which disciplines?**

- A) Computer Science, Operations Research, Physics

- B) Sociology, Psychology, Economics
- C) Management Science, Computer Science, Economics
- D) Psychology, Mathematics, Operations Research

**19. What does the “Business Information Value Chain” represent?**

- A) The cost of hardware
- B) A series of value-adding activities for acquiring, transforming, and distributing information
- C) The hierarchy of employees in a firm
- D) The connection between suppliers and customers

**20. According to the text, what percentage of the U.S. economy depends on foreign trade?**

- A) 10%
- B) 25%
- C) 33%
- D) 50%

**21. “Time shifting” in a digital firm refers to:**

- A) Working in different time zones
- B) Business operating 24/7
- C) Delaying project deadlines
- D) Recording meetings for later

**22. “Space shifting” in a digital firm refers to:**

- A) Moving to a larger office
- B) Work taking place in a global workshop/location independent
- C) Increasing storage space
- D) Moving data to the cloud

**23. Which business function is responsible for recruiting, hiring, and training?**

- A) Finance & Accounting
- B) Sales & Marketing
- C) Human Resources
- D) Manufacturing & Production

**24. The fundamental platform for a firm’s information systems is called:**

- A) The Internet
- B) IT Infrastructure
- C) The World Wide Web
- D) Big Data

**25. Operations Research is a discipline associated with which approach to IS?**

- A) Behavioral Approach
- B) Technical Approach
- C) Sociological Approach
- D) Economic Approach

**26. Which of the following is NOT a level in a firm's hierarchy?**

- A) Senior Management
- B) Middle Management
- C) External Management
- D) Operational Management

**27. Data workers are distinct from knowledge workers because they:**

- A) Create new knowledge
- B) Process paperwork and data
- C) Make strategic decisions
- D) Perform physical labor

**28. Which of the following is a strategic objective related to meeting regulatory requirements?**

- A) Competitive Advantage
- B) Survival
- C) Customer Intimacy
- D) New Products

**29. The variation in returns on IT investment suggests that:**

- A) Investing in IT always guarantees high returns
- B) IT investments never pay off
- C) IT investments alone do not guarantee returns
- D) The more you spend, the more you earn linearly

**30. Mashaweer is a case study regarding a personal service company in:**

- A) Finland
- B) Egypt
- C) USA
- D) China

**31. The term for converting raw input into a meaningful form is:**

- A) Input
- B) Output
- C) Processing
- D) Feedback

**32. Who typically allocates human and financial resources in an organization?**

- A) The IT department
- B) Management
- C) Production workers
- D) Data entry clerks

**33. The “flattened world” concept relates to:**

- A) Reduced economic advantages due to the Internet/globalization
- B) The physical shape of the earth
- C) Flat organizational structures only
- D) The decline of global trade

**34. Operational Excellence is primarily driven by improving:**

- A) Employee salaries
- B) Efficiency and productivity
- C) Regulatory compliance
- D) Public relations

**35. Customer and Supplier Intimacy is a strategic objective because:**

- A) It lowers tax liability
- B) Strong relationships lead to loyalty and repeat business
- C) It allows for better surveillance
- D) It creates more data to store

**36. A system that helps a company outperform competitors is aiming for:**

- A) Survival
- B) Competitive Advantage
- C) Operational Excellence
- D) Compliance

**37. Which discipline studies how human decision makers perceive and use information?**

- A) Economics
- B) Sociology
- C) Psychology
- D) Computer Science

**38. Which discipline studies the production of digital goods and market dynamics?**

- A) Economics
- B) Sociology
- C) Psychology

D) Operations Research

**39. IT investments grew from 32% to what percentage of all invested capital between 1980 and 2011?**

- A) 42%
- B) 52%
- C) 62%
- D) 72%

**40. The technical definition of an Information System emphasizes:**

- A) Human behavior
- B) Interrelated components collecting, processing, and distributing information
- C) The cost of hardware
- D) Political struggles in the office

**41. Which of the following is considered a “Social Asset”?**

- A) Decentralized authority
- B) Laws and regulations
- C) Management culture
- D) Business processes

**42. Which component is NOT part of the sociotechnical view?**

- A) Technology
- B) Organization
- C) Mutual adjustment
- D) Strict automation without human input

**43. Apple’s iPad and iPhone are examples of:**

- A) Mainframe computing
- B) The emerging mobile digital platform
- C) Legacy systems
- D) Stationery office equipment

**44. “Big Data” refers to:**

- A) Large physical hard drives
- B) Analyzing huge volumes of data from web traffic and social media
- C) The physical size of the internet
- D) Government databases only

**45. Software as a Service (SaaS) is associated with:**

- A) Cloud Computing
- B) Local storage

- C) Offline processing
- D) Mainframe era

**46. Which business function manages cash accounts and creates financial statements?**

- A) Sales & Marketing
- B) Human Resources
- C) Finance & Accounting
- D) Manufacturing

**47. Production or service workers are responsible for:**

- A) Making strategic plans
- B) Producing the product and delivering service
- C) Designing new products
- D) Hiring staff

**48. In the UPS case, the handheld computer used by drivers is called:**

- A) iPad
- B) DIAD (Delivery Information Acquisition Device)
- C) GPS Tracker
- D) SmartLog

**49. An example of a “New Business Model” enabled by IS is:**

- A) A grocery store selling food
- B) iTunes or Netflix
- C) A bank offering savings accounts
- D) A library lending books

**50. Real-time data availability contributes most directly to which strategic objective?**

- A) Survival
  - B) Improved Decision Making
  - C) Compliance
  - D) Supplier Intimacy
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## **Chapter 2: Global E-business and Collaboration**

**1. A set of logically related activities for accomplishing a specific business result is called a:**

- A) Business Function
- B) Business Process
- C) Business Hierarchy

- D) Business Unit
- 2. Which system type serves operational management by tracking elementary activities and daily transactions?**
- A) DSS
  - B) MIS
  - C) TPS
  - D) ESS
- 3. Which of the following is an example of a Transaction Processing System (TPS)?**
- A) Executive Digital Dashboard
  - B) Payroll System
  - C) Voyage-Estimating System
  - D) Knowledge Management System
- 4. Systems that provide reports on current performance to middle management are called:**
- A) TPS
  - B) MIS
  - C) ESS
  - D) CRM
- 5. Decision Support Systems (DSS) are best described as:**
- A) Systems for routine, structured decisions
  - B) Systems for non-routine decisions using “what-if” analysis
  - C) Systems for senior executives to view dashboards
  - D) Systems for tracking daily sales
- 6. Which system serves senior management and focuses on strategic issues and long-term trends?**
- A) TPS
  - B) MIS
  - C) ESS
  - D) DSS
- 7. A “Digital Dashboard” is a feature typically found in:**
- A) TPS
  - B) ESS
  - C) CRM
  - D) SCM
- 8. Systems that span functional areas and focus on executing business processes across the firm are called:**

- A) Departmental Applications
- B) Enterprise Applications
- C) Functional Systems
- D) Local Applications

**9. Which enterprise application integrates business processes across manufacturing, accounting, finance, and HR into a single software system?**

- A) SCM
- B) CRM
- C) ERP (Enterprise Systems)
- D) KMS

**10. Supply Chain Management (SCM) systems focus on:**

- A) Managing relationships with customers
- B) Managing relationships with suppliers
- C) Internal employee knowledge
- D) Executive decision making

**11. Which system's objective is to optimize revenue, customer satisfaction, and retention?**

- A) SCM
- B) ERP
- C) CRM
- D) KMS

**12. Knowledge Management Systems (KMS) are designed to:**

- A) Manage logistics
- B) Capture and apply knowledge and experience
- C) Process payroll
- D) Track inventory levels

**13. An internal company website accessible only by employees is known as a(n):**

- A) Extranet
- B) Internet
- C) Intranet
- D) Ethernet

**14. Company websites accessible to authorized vendors and suppliers are called:**

- A) Intranets
- B) Extranets
- C) Social Networks

D) Public Domains

**15. Use of digital technology and the Internet to execute major business processes is defined as:**

- A) E-commerce
- B) E-business
- C) E-government
- D) Social Business

**16. Buying and selling goods and services over the Internet is defined as:**

- A) E-business
- B) E-commerce
- C) E-government
- D) Collaboration

**17. “Social Business” is characterized by:**

- A) Top-down command structures
- B) The use of social networking platforms to engage employees and customers
- C) Strict prohibition of personal conversation
- D) Offline team meetings

**18. Which of the following is NOT a reason for the growing importance of collaboration?**

- A) Changing nature of work
- B) Emphasis on innovation
- C) Decline in global presence
- D) Growth of professional work

**19. According to the McKinsey prediction, social technologies could raise productivity of interaction workers by:**

- A) 5-10%
- B) 20-25%
- C) 50%
- D) 100%

**20. Which tool is classified as a “Cyberlocker”?**

- A) Skype
- B) Dropbox
- C) Facebook
- D) Salesforce Chatter

**21. Second Life is an example of which collaboration tool?**

- A) Wiki
- B) Virtual World
- C) Blog
- D) Cyberlocker

**22. Which Microsoft tool is described as browser-based collaboration with document management and Version control?**

- A) Skype
- B) SharePoint
- C) Excel
- D) Outlook

**23. The “Time/Space Collaboration Tool Matrix” classifies tools based on:**

- A) Cost and Speed
- B) Same/Different Time and Same/Different Place
- C) Audio vs. Video
- D) Internal vs. External

**24. The person in charge of information systems security is the:**

- A) CIO
- B) CPO
- C) CSO/CISO
- D) CKO

**25. The CKO is responsible for:**

- A) Knowledge management programs
- B) Security policy
- C) Privacy laws
- D) Hardware maintenance

**26. Which job role acts as the principal liaison between the IS group and the rest of the organization?**

- A) Programmer
- B) Systems Analyst
- C) Data Entry Clerk
- D) CISO

**27. “IT Governance” refers to:**

- A) The software installed on government computers
- B) Strategy and policies for using IT and assigning decision rights
- C) The maintenance of hardware

- D) The hiring of programmers

**28. Which of the following is a benefit of Enterprise Systems?**

- A) Creating silos of information
- B) Improving flexibility and coordination of business processes
- C) Increasing manual data entry
- D) Slowing down information flow

**29. What is “Telepresence”?**

- A) A text-based chat system
- B) High-quality integrated audio and visual environment for meetings
- C) A file sharing protocol
- D) An email server

**30. The Schiphol International Hub case study focused on which type of system?**

- A) Baggage handling system
- B) Employee payroll
- C) Customer loyalty program
- D) Flight simulation

**31. In the NTUC Income case study, the new system helped reduce policy processing time by:**

- A) 10%
- B) Half
- C) 90%
- D) It increased the time

**32. Procter & Gamble’s “Business Sphere” is an example of:**

- A) A transaction processing system
- B) A decision support environment/room with large screens
- C) A public website
- D) A warehouse management system

**33. Which of the following is an “asynchronous” collaboration interaction (Different Time)?**

- A) Video conference
- B) Instant Messaging
- C) E-mail
- D) Face-to-face meeting

**34. Which position is responsible for compliance with data privacy laws?**

- A) CIO

- B) CSO
- C) CPO
- D) CEO

**35. Programmers are defined as:**

- A) Liaisons between departments
- B) Highly trained technical specialists who write software instructions
- C) Managers of facility operations
- D) Senior strategic planners

**36. Salesforce Chatter and Microsoft Yammer are examples of:**

- A) Enterprise Social Networking Tools
- B) Spreadsheets
- C) Hardware manufacturers
- D) Legacy TPS

**37. Which functional area deals with “identifying customers”?**

- A) Manufacturing
- B) Sales and Marketing
- C) Finance
- D) Human Resources

**38. Which functional area deals with “checking quality”?**

- A) Manufacturing and Production
- B) Sales
- C) Finance
- D) HR

**39. A “Command and Control” culture is characterized by:**

- A) Horizontal communication
- B) Top-down orders and no horizontal communication
- C) Teams at all levels
- D) Extensive social networking

**40. A “Collaborative” culture is characterized by:**

- A) Senior management establishing collaboration as vital
- B) Strict vertical hierarchy
- C) Information hoarding
- D) Individual rewards only

**41. Which system uses “Input: Employee time sheet” and “Output: Paychecks”?**

- A) Payroll TPS
- B) Sales DSS
- C) Executive Dashboard
- D) CRM

**42. Which system type is described as “Not flexible” and having “little analytical capability”?**

- A) DSS
- B) MIS
- C) ESS
- D) Expert Systems

**43. The “Voyage-Estimating” system is an example of a:**

- A) TPS
- B) MIS
- C) DSS
- D) ESS

**44. “Interorganizational systems” automate the flow of information:**

- A) Within a single department
- B) Across organizational boundaries
- C) Only to the CEO
- D) Between the CPU and Hard Drive

**45. Which of the following is a benefit of collaboration regarding “Quality”?**

- A) It makes work slower
- B) Communicating errors and corrective actions faster
- C) It reduces the need for meetings
- D) It creates more paperwork

**46. Which tool allows users to contribute and edit content on a website without programming knowledge?**

- A) Wiki
- B) Compiler
- C) FTP client
- D) Firewall

**47. Google Drive is an example of:**

- A) A legacy mainframe
- B) A Cloud-based cyberlocker/collaboration tool
- C) An on-premise server

D) A specialized DSS

**48. Lotus Notes is cited as an early example of:**

- A) Groupware
- B) Social Media
- C) CRM
- D) ERP

**49. The TELUS case study utilized which technology for social learning?**

- A) Microsoft SharePoint
- B) Oracle ERP
- C) Custom Mainframe
- D) Fax machines

**50. Employment growth in IS/MIS jobs is projected to be:**

- A) 50% lower than average
  - B) 50% greater than average
  - C) Flat (no growth)
  - D) Declining rapidly
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### **Chapter 3: Information Systems, Organizations, and Strategy**

**1. The “technical” definition of an organization focuses on:**

- A) Rights and privileges
- B) Conflict resolution
- C) Processing resources (capital/labor) into outputs
- D) Cultural values

**2. The “behavioral” definition of an organization emphasizes:**

- A) Production functions
- B) Rights, privileges, obligations, and conflict resolution
- C) Input/Output efficiency
- D) Machine-like precision

**3. Standard operating procedures in an organization are also called:**

- A) Politics
- B) Routines
- C) Culture
- D) Constitutions

**4. Divergent viewpoints about resource distribution in an organization lead to:**

- A) Organizational Politics
- B) Efficiencies
- C) Routines
- D) Automation

**5. “Unassailable assumptions” about what products to produce and how constitute:**

- A) Organizational Culture
- B) Business Processes
- C) Politics
- D) Environments

**6. Technologies that radically change the business landscape (e.g., car vs. horse) are called:**

- A) Routine Technologies
- B) Disruptive Technologies
- C) Sustaining Technologies
- D) Legacy Technologies

**7. Which Mintzberg organizational structure consists of a young, small firm with an entrepreneur CEO?**

- A) Machine Bureaucracy
- B) Divisionalized Bureaucracy
- C) Entrepreneurial Structure
- D) Adhocracy

**8. Which structure is characterized by task force organizations in rapidly changing environments?**

- A) Machine Bureaucracy
- B) Professional Bureaucracy
- C) Adhocracy
- D) Divisionalized Bureaucracy

**9. Transaction Cost Theory suggests that IT:**

- A) Increases the cost of market participation
- B) Helps lower market participation costs (transaction costs)
- C) Has no effect on costs
- D) Makes firms grow larger in employee count

**10. Agency Theory views the firm as:**

- A) A happy family
- B) A nexus of contracts among self-interested individuals

- C) A machine for production
- D) A political entity only

**11. How does IT typically affect the number of middle managers?**

- A) Increases them significantly
- B) Reduces them by empowering lower-level employees
- C) Has no impact
- D) Replaces them with senior managers

**12. The most common reason for IS project failure is:**

- A) Hardware failure
- B) Organizational/political resistance
- C) Software bugs
- D) Lack of electricity

**13. Which of the following is NOT one of Porter's Five Competitive Forces?**

- A) Traditional Competitors
- B) New Market Entrants
- C) Government Regulations
- D) Substitute Products

**14. Walmart's continuous replenishment system is an example of which generic strategy?**

- A) Product Differentiation
- B) Low-Cost Leadership
- C) Market Niche Focus
- D) Customer Intimacy

**15. Nike's NIKEiD program is an example of:**

- A) Low-Cost Leadership
- B) Product Differentiation (Mass Customization)
- C) Supplier Intimacy
- D) Machine Bureaucracy

**16. Hilton Hotels' OnQ System is used to support which strategy?**

- A) Focus on Market Niche
- B) Low-Cost Leadership
- C) Generic manufacturing
- D) Employee surveillance

**17. "Switching costs" refer to:**

- A) The cost of electricity

- B) The cost/difficulty for a customer to switch to a competitor
- C) The cost of networking switches
- D) The price of a new computer

**18. Which model highlights specific activities (Primary and Support) where IS can add value?**

- A) Porter's Five Forces
- B) The Value Chain Model
- C) Agency Theory
- D) Network Economics

**19. In the Value Chain, “Inbound Logistics” is a:**

- A) Support Activity
- B) Primary Activity
- C) Secondary Activity
- D) Tertiary Activity

**20. In the Value Chain, “Human Resources” is a:**

- A) Primary Activity
- B) Support Activity
- C) Sales Activity
- D) Logistics Activity

**21. A “Value Web” is different from a traditional Value Chain because it is:**

- A) Linear and rigid
- B) A collection of independent firms synchronized by IT
- C) Owned by a single firm
- D) Paper-based

**22. “Synergy” occurs when:**

- A) Output of units can be used as inputs to others, lowering costs
- B) Firms compete aggressively
- C) Costs increase due to complexity
- D) Technologies fail

**23. An activity for which a firm is a world-class leader is called a:**

- A) Routine
- B) Core Competency
- C) Liability
- D) Support Activity

**24. Network Economics is characterized by:**

- A) Diminishing returns
- B) Marginal costs of adding users being near zero, while value grows
- C) High costs for every new user
- D) Decreasing value as size increases

**25. A “Virtual Company” uses networks to:**

- A) Avoid paying taxes
- B) Link people and assets without traditional organizational boundaries
- C) Create fake products
- D) Simulate business in a game

**26. In a Business Ecosystem, a “Keystone firm”:**

- A) Is a small niche player
- B) Dominates the ecosystem and creates the platform (e.g., Microsoft, Walmart)
- C) Is a supplier only
- D) Does not use IT

**27. Apple vs. Samsung in the tablet market is an example of competition between:**

- A) Individual products only
- B) Business Ecosystems (Mobile Internet Platforms)
- C) Local stores
- D) Government agencies

**28. American Airlines’ SABRE system is an example of:**

- A) A failed system
- B) A classic strategic system that provided advantage
- C) A non-strategic website
- D) A payroll system

**29. Research shows that successful alignment of IT with business goals:**

- A) Is achieved by 100% of firms
- B) Leads to lower profitability
- C) Explains about half of a firm’s profits
- D) Is not important

**30. “Benchmarking” involves:**

- A) Guessing performance metrics
- B) Comparing efficiency and effectiveness against strict standards
- C) Ignoring competitors
- D) Setting low goals

**31. The “Bullwhip effect” is usually mitigated by:**

- A) Hiding information
- B) Supply Chain Management systems
- C) Increasing prices
- D) Reducing quality

*(Context implied in SCM discussion)*

**32. Which of the following is NOT a primary activity in the Value Chain?**

- A) Operations
- B) Sales and Marketing
- C) Procurement
- D) Service

**33. Mass customization allows firms to:**

- A) Produce identical products for everyone
- B) Offer individually tailored products using mass production resources
- C) Stop production entirely
- D) Increase inventory costs

**34. The “Internet of Things” (implied by connected cars/sensors) helps:**

- A) Increase manual labor
- B) Create new data streams for analysis and efficiency
- C) Reduce internet usage
- D) Discourage innovation

**35. A “Strategy of Survival” implies:**

- A) Using IS because competitors/regulations force you to
- B) Using IS to dominate the market
- C) Using IS to increase prices
- D) Using IS to shrink the company

**36. Li & Fung is an example of a:**

- A) Virtual Company
- B) Machine Bureaucracy
- C) Traditional Manufacturer
- D) Keystone Firm

**37. “Best Practices” are:**

- A) Theoretical ideas that never work
- B) Solutions identified as the most successful for achieving objectives

- C) Government laws
- D) Examining the worst performing companies

**38. The Law of Diminishing Returns usually applies to:**

- A) Network Economics
- B) Traditional Economics
- C) Virtual Companies
- D) Digital Goods

**39. Sears' struggle against Walmart is attributed to:**

- A) Lack of technology investment only
- B) Damaged brand image and weak business model despite technology use
- C) Too much inventory
- D) High prices

**40. Starbucks used “Lean” techniques and mobile platforms to:**

- A) Increase wait times
- B) Return to profitability and improve efficiency
- C) Stop selling coffee
- D) Eliminate all baristas

**41. Ford's “MyFord Touch” is an example of:**

- A) Low-cost leadership
- B) Product Differentiation through software
- C) Niche marketing
- D) Supplier management

**42. Which is a characteristic of “Postindustrial Organizations”?**

- A) Authority based on position/hierarchy
- B) Authority based on knowledge and competence
- C) Strict vertical command
- D) Focus on manual labor

**43. Which factor is NOT cited as a reason for organizational resistance?**

- A) Nature of IT innovation
- B) Organization's structure
- C) Color of the office walls
- D) Tasks impacted by innovation

**44. “Efficient Customer Response Systems” are most closely linked to:**

- A) Product Differentiation

- B) Low-Cost Leadership (e.g., Walmart)
- C) Niche Focus
- D) HR Management

**45. What happens when “Substitute Products” are high in an industry?**

- A) Firms have more control over price
- B) Firms have less control over price/profit margins
- C) Monopoly is guaranteed
- D) Customers have no choice

**46. “Strategic Transitions” refer to:**

- A) Updating software
- B) Movement between levels of sociotechnical systems (changing goals, processes, etc.)
- C) Moving office locations
- D) Hiring a new CEO

**47. Barnes & Noble’s Nook strategy was a response to:**

- A) Regulatory changes
- B) Disruptive technology (e-books)
- C) Supplier demands
- D) Employee strikes

**48. In the ecosystem model, “Niche firms”:**

- A) Create the platform
- B) Use the platform provided by the Keystone firm
- C) Compete against the Keystone firm
- D) Operate offline only

**49. Flattening organizations generally results in:**

- A) Slower decision making
- B) Faster decision making and broader span of control
- C) More middle managers
- D) Less data availability

**50. The reciprocal relationship between organizations and environments means:**

- A) They do not affect each other
  - B) Organizations rely on environments, and can also influence them
  - C) Environments always destroy organizations
  - D) Organizations control environments completely
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## **Chapter 4: Ethical and Social Issues in Information Systems**

### **1. The “Ripples in a Pond” model illustrates:**

- A) The speed of internet connections
- B) The relationship between ethical, social, and political issues
- C) The cost of water cooling
- D) The decline of hardware costs

### **2. Which of the following is NOT one of the Five Moral Dimensions of the Information Age?**

- A) Information Rights and Obligations
- B) System Quality
- C) Hardware Speed
- D) Accountability and Control

### **3. The trend that “Computing power doubles every 18 months” is known as:**

- A) Moore’s Law (implied)
- B) Metcalfe’s Law
- C) The Law of Diminishing Returns
- D) The Storage Law

*(Note: Text says “Computing power doubles every 18 months”, common knowledge aligns this with Moore’s Law)*

### **4. The use of computers to combine data from multiple sources to create electronic dossiers is called:**

- A) Networking
- B) Profiling
- C) Spying
- D) Phishing

### **5. NORA stands for:**

- A) Nonobvious Relationship Awareness
- B) Network Organization Routing Algorithm
- C) New Online Research Agency
- D) No One Really Asks

### **6. “Responsibility” is defined as:**

- A) Laws permitting recovery of damages
- B) Accepting potential costs, duties, and obligations for decisions
- C) Mechanisms to determine who took action
- D) Being punished for a crime

**7. “Accountability” refers to:**

- A) Mechanisms to determine who took responsible action
- B) The ability to pay for damages
- C) A feature of political systems
- D) Personal guilt

**8. “Liability” is a feature of political systems that:**

- A) Allows individuals to recover damages done to them
- B) Prevents all harm
- C) Guarantees free speech
- D) Monitors internet traffic

**9. Which ethical principle states: “Do unto others as you would have them do unto you”?**

- A) Kant’s Categorical Imperative
- B) The Golden Rule
- C) Utilitarian Principle
- D) No Free Lunch Rule

**10. Kant’s Categorical Imperative suggests:**

- A) If an action is not right for everyone, it is not right for anyone
- B) Take the action that achieves the higher value
- C) Do what feels right
- D) Avoid all risk

**11. The “Slippery-Slope” rule is formally known as:**

- A) Descartes’ Rule of Change
- B) The Golden Rule
- C) Risk Aversion Principle
- D) Utilitarian Principle

**12. The Utilitarian Principle advises to:**

- A) Take the action that produces the least harm
- B) Take the action that achieves the higher or greater value
- C) Assume everything is owned
- D) Do what everyone else does

**13. The “No Free Lunch” Rule assumes:**

- A) Food should be free
- B) All objects are owned by someone unless declared otherwise
- C) Information is always free

D) Privacy does not exist

**14. FIP stands for:**

- A) Federal Internet Protocol
- B) Fair Information Practices
- C) Free Internet Policy
- D) Fast Information Processing

**15. Which is the “Core Principle” of FIP regarding disclosure of practices?**

- A) Notice/Awareness
- B) Security
- C) Enforcement
- D) Access

**16. The “Opt-In” model of privacy means:**

- A) Businesses can collect info until the user says stop
- B) Businesses are prohibited from collecting info unless the consumer specifically approves
- C) No data can ever be collected
- D) Data is collected anonymously

**17. The “Opt-Out” model (used in the US) means:**

- A) Collection is permitted until the consumer requests it to stop
- B) Collection is forbidden by default
- C) Consumers must sign a waiver
- D) Only government can collect data

**18. Small text files deposited on a computer hard drive to track visits are called:**

- A) Web Beacons
- B) Cookies
- C) Spam
- D) Trojans

**19. Tiny software programs that keep a record of users’ online clickstreams (often invisible) are:**

- A) Cookies
- B) Web Beacons (Web bugs)
- C) Antivirus
- D) Firewalls

**20. Intellectual Property protects:**

- A) Tangible land
- B) Intangible property created by individuals or corporations

- C) Government buildings
- D) Ocean waters

**21. A “Trade Secret” protects:**

- A) Any intellectual work product used for business (formula, device, pattern) not in public domain
- B) Only published books
- C) Only patented machines
- D) Public information

**22. Copyright protects creators for:**

- A) 20 years
- B) Life of author plus 70 years (or 95 years for corps)
- C) Forever
- D) 10 years

**23. A Patent grants a monopoly on underlying concepts/ideas for:**

- A) 70 years
- B) 20 years
- C) 5 years
- D) Indefinitely

**24. The Digital Millennium Copyright Act (DMCA) makes it illegal to:**

- A) Buy software
- B) Circumvent technology-based protections of copyrighted materials
- C) Write code
- D) Use the internet

**25. Which forms of health risks are associated with computer use?**

- A) RSI, CVS, Technostress
- B) Malaria, Flu
- C) Broken bones
- D) Sunburn

**26. Carpal Tunnel Syndrome (CTS) is a type of:**

- A) Computer Vision Syndrome
- B) Repetitive Stress Injury (RSI)
- C) Technostress
- D) Virus

**27. “Technostress” symptoms include:**

- A) Euphoria

- B) Aggravation, hostility, impatience, fatigue
- C) Better vision
- D) Increased calmness

**28. The “Digital Divide” refers to:**

- A) The gap between Mac and PC users
- B) The gap between those who have access to technology/Internet and those who do not
- C) The split between hardware and software
- D) Two separate hard drives

**29. Most common source of business system failure is:**

- A) Hardware destruction
- B) Data quality (input errors)
- C) Hackers
- D) Power outages

**30. Which term refers to the commission of illegal acts through the use of a computer?**

- A) Computer Abuse
- B) Computer Crime
- C) Hacking
- D) Spamming

**31. “Spam” accounts for approximately what percentage of e-mail (2012 est)?**

- A) 10%
- B) 72%
- C) 99%
- D) 25%

**32. In the context of privacy regulations, “Safe Harbor” is defined as:**

- A) A strict government-enforced law protecting ships
- B) A private, self-regulating policy that meets objectives of government regulators without government regulation
- C) A policy that completely bans data transfer between nations
- D) A virus protection software for medical databases

**33. European data protection laws are generally:**

- A) Less stringent than U.S. laws
- B) More stringent than U.S. laws
- C) Non-existent
- D) Identical to U.S. laws

**34. The “Right to be forgotten” is a concept proposed in:**

- A) The United States
- B) The European Union
- C) China
- D) Russia

**35. Software that secretly installs itself to report user movements is called:**

- A) Firmware
- B) Spyware
- C) Shareware
- D) Freeware

**36. Apple vs. Samsung (2011) was a major battle over:**

- A) Copyrights
- B) Patents
- C) Trade Secrets
- D) Trademarks

**37. Which industry has a global software piracy rate of 42% (2011)?**

- A) Software
- B) Music
- C) Movies
- D) Books

**38. “Cyberbullying” is mentioned as a negative impact on:**

- A) System Quality
- B) Quality of Life (boundaries/social)
- C) Intellectual Property
- D) Accountability

**39. Reengineering work has caused job losses primarily for:**

- A) CEOs
- B) Mid-level managers and clerical workers
- C) Doctors
- D) Lawyers

**40. CVS stands for:**

- A) Computer Virus System
- B) Computer Vision Syndrome
- C) Central Vision System

D) Cardio-Vascular Stress

**41. The BlackBerry outage (2011) highlights issues of:**

- A) Privacy
- B) Accountability and Liability (who is responsible for economic harm?)
- C) Intellectual Property
- D) Patent theft

**42. Which act bans deceptive email practices but has had minimal impact?**

- A) DMCA
- B) CAN-SPAM Act
- C) Patriot Act
- D) Computer Fraud Act

**43. The “Risk Aversion Principle” suggests avoiding:**

- A) Low-cost actions
- B) High-failure-cost actions of moderate to high probability
- C) All actions
- D) Profitable actions

**44. “Due Process” implies that:**

- A) Laws are known, understood, and there is an appeal ability
- B) Punishment is immediate
- C) There are no rules
- D) Computers judge humans

**45. Which company was fined \$160 million for manipulating LIBOR rates?**

- A) Walmart
- B) Barclays Bank
- C) Siemens
- D) Pfizer

**46. Which company paid \$4 billion for a worldwide bribery scheme?**

- A) Galleon Group
- B) Siemens
- C) GlaxoSmithKline
- D) Apple

**47. According to the key technology trends raising ethical issues, the rapid decline in data storage costs means:** A) Less databases are created

- B) Organizations can easily maintain detailed databases on individuals
- C) Less privacy issues occur

D) Slower computers are used

**48. What is the “Golden Rule” of Ethics?**

- A) Make as much money as possible
- B) Do unto others as you would have them do unto you
- C) The one with the gold makes the rules
- D) Survival of the fittest

**49. Privacy is defined as the claim of individuals to:**

- A) Own data
- B) Be left alone, free from surveillance
- C) Speak freely
- D) Access the internet

**50. “Look and feel” distinctions in software are problematic for:**

- A) Patents
- B) Copyright protection
- C) Trade Secrets
- D) Hardware design