Examiners' commentaries 2016–17

CO1108 Information systems: foundations of e-business – Zone A

General remarks

Overall the standard on this paper was satisfactory and the presentation of answers was much improved. Candidates structured their answers, making good use of headings and paragraphs. Most candidates started answers to a new question on a new page, which made the scripts more readable. However, there is still a tendency for candidates not to read the question carefully enough. It is essential that candidates remember to read the questions very carefully and ensure that their answers address very closely what has been asked.

In particular, it is important that where questions require answers to refer to the case study provided, that candidates do so, rather than just providing a general answer. Candidates are reminded of the importance of ensuring that their scripts are legible and that their answers are clearly structured. Candidates are strongly urged to take care with their handwriting when writing under examination conditions.

The examiners would like to make the following observations which are of importance to future candidates.

The paper consisted of **six** questions of which candidates were required to answer **four**.

- Read the questions carefully.
- Write clear and concise sentences.
- Make sure you answer all parts of the questions.
- Start the answer to a question, or part of a question, on a fresh page.
- Write clear and concise sentences.

The remainder of this commentary provides a question-by-question discussion of aspects found by the examiners marking this paper.

Comments on specific questions

Question 1a

Good answers recognised that the key to answering this question was that the information produced by the information system would be used to process customer data and to analyse the performance of the individual showroom in comparison with others. These answers considered what outputs would be required to compare the various showrooms, such as monthly sales figures, etc. They then considered the input that would be required to calculate these monthly sales figures, such as all transactions, together with the use of algorithms to process the data into the required outputs. Some candidates failed to give **three** examples of each input, processing and output component and as a result lost marks. Finally, there were many environmental factors that the information system would have to interact with, such as competitors, customers and suppliers.

Question 1b

Generally this question was not answered well. Good answers provided clear definitions of what is meant by a value chain and a supply chain, but not all answers were sufficiently clear. Furthermore, some candidates failed to compare the two systems in terms of their similarities and discussed only the differences between these two types of chains.

Question 2a

Most candidates were able to identify the **four** phases of information software development correctly as initiation, development, implementation and operation and maintenance. Candidates did less well in defining the key processes associated with each of these stages. As there are many essential processes associated with each stage, a wide variety of processes were acceptable in answering this question. Unfortunately, many candidates failed to include the last part of the question which required them to describe the output at each stage.

Question 2b

This question was worth five marks and therefore did not require a detailed answer. It was sufficient to give a brief description of a problem such as the role of an inadequate feasibility study in the initiation phase contributing to the failure of a project. A brief description of the issues that contribute to project failure such as those arising from insufficient funds was appropriate for the second part of this question.

Question 2c

Good answers to this question demonstrated that the candidate understood what is meant by 'unrealistic expectations'. Many answers just provided broad discussions around obstacles to applying IT effectively and did not focus sufficiently on those obstacles which arise specifically as a result of unrealistic expectations. Many candidates made an appropriate choice in discussing complexity as an innate difficulty in building systems, though a range of other innate difficulties were also acceptable.

Question 3a

This was a straightforward question. Candidates scored well where they identified the key benefits of outsourcing and then discussed how these might be realised by Hodder and Hodder. However, candidates struggled more with providing **two** examples of real world organisations that had outsourced their functions and very few were able to describe where they had outsourced them to.

Question 3b

This was well answered. Many candidates identified the recognised **five** disadvantages of outsourcing, such as unfavourable contracts, loss of control and discussed these appropriately.

Question 3c

As this was worth five marks, a short one-line description of each of the **five** considerations, such as language barriers, proper documentation, etc., was sufficient.

Question 4a

Overall this short question was well answered with candidates finding many examples of the interdependencies between people and machines. Marks

were lost where candidates failed to relate their answers back to the Monaco Banking System Testing Team.

Question 4b

This question required that candidates consider both the similarities and differences between people and machines in executing specific tasks. Some good answers provided a table with criteria down the left-hand side of the table and people and machines on the horizontal axes. However, there seemed to be some confusion in understanding the capabilities of people and machines with regard to their ability to form a global view.

Question 4c

This was a straightforward question. A variety of examples of common flaws in the way people make decisions were given, and were accepted. Some candidates referred to issues such as poor framing, recency and association, among other examples.

Question 5a

This was a straightforward question. It required clear definitions for five basic terms associated with systems, such as 'purpose' – why a system exists and how it may be referenced for measuring its success, 'boundary'– what is defined to be within the system and what is defined to be outside, etc. Credit was given to candidates who provided examples for each of these terms.

Question 5b

Most candidates began answering this question appropriately with a definition of the term 'business process'. For example, 'a business process is a related set of steps or activities in which people use information and other resources to create value for customers'. However, a range of other acceptable definitions were provided. It was important, however, that answers also focused on the requirement that the definition must be related to how a business process creates value for customers. Good answers provided a clear description of a value-adding business process. This did not need to be detailed as the question only accounted for five marks in total.

Question 5c

Overall, answers to this question were disappointing. The question required that candidates understand the difference between e-business and e-commerce. Many candidates did not understand the difference between the two concepts. The choice of **three** key e-commerce activities was broad and candidates provided a range of acceptable examples.

Question 6a

This question required clear definitions for the terms 'value chain' and 'supply chain'. Candidates were then asked to detail the differences between the two concepts. Good answers therefore provided definitions and a focused discussion on the differences between the two. Similarities were not required. Excellent answers also included examples to illustrate these differences.

Question 6b

Many candidates provided a clear definition of what is meant by the term 'business process'. There are many definitions of this concept and provided that the definition was clear and plausible, credit was given. Good answers gave a clear and detailed example of how business processes provide value for customers, identifying the steps in the value chain with reference to the example of a smartphone manufacturer. Good answers went on to discuss

how information technology might improve some or all of these processes and ultimately lead to a competitive advantage for the firm. Many candidates appropriately applied Michael Porter's value chain in answering this question.

Question 6c

This was a straightforward question. Good answers pointed out that information systems cannot be created or maintained without the input of people. They also need people to implement them successfully within the environment. Conversely, people are increasingly dependent on information systems to undertake their jobs, to provide them with vital information which enables decision making, etc. Candidates provided a wide range of appropriate answers demonstrating the interdependence between people and systems.