

13) Analysts can use software to simulate business processes and conduct "what if" experiments to find innovative approaches that leverage the power of information systems.

Answer: TRUE

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

14) The study of information systems-how people, technology, processes, and data work together-is referred to as management information systems.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 4: Identify several research areas in the discipline of management information systems (MIS).

Difficulty: Easy

15) The psychology of group dynamics invariably shifts positively when team members use online tools to communicate.

Answer: FALSE

AACSB: Information Technology

Chapter LO: 4: Identify several research areas in the discipline of management information systems (MIS).

Difficulty: Easy

16) In certain situations, such as fund-raising for an NGO, information systems are not useful.

Answer: FALSE

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

17) The chief information officer (CIO) heads the IT department in most organizations.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

18) Disconnects in communication between IT staff and others in the organization often arise because of the jargon barrier.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

19) The close integration of information technology and strategy with every aspect of business means that every employee could be considered an "information officer."

Answer: TRUE

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

20) Compared to older information systems, privacy breaches in modern information systems involve less risk and affect fewer people.

Answer: FALSE

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Easy

21) Which of the following is a function of accounting information systems?

A) procuring goods and services

B) designing service delivery systems

C) developing induction processes for new hires

D) creating business diversification strategies

Answer: A

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

22) Which of the following events led to tighter standards for accounting practices and a demand for more transparency in reporting?

A) the global financial crisis of 2009

B) the decreasing popularity of net-banking

C) the Great Depression

D) the increasing nationalization of private assets

Answer: A

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

27) The success of web-based shopping hinges on _____.

- A) building stronger customer relationships and identifying the unique needs of each customer
- B) building a reputation for exclusivity by offering a limited number and smaller variety of goods
- C) providing goods at prices that are at par or just a little higher than brick-and-mortar stores
- D) reducing security and identification checks and increasing the modes of payment available

Answer: A

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

28) How do web-based online self-service applications transform an organization's relationships with its customers?

- A) They reduce customer-service facilities available to a customer, but increase the quality of available facilities.
- B) They help educate customers on the business processes of the company.
- C) They provide customers with elaborate decision support systems which help customers make choices without technical help.
- D) They free customers from time-consuming forms of direct contact.

Answer: D

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

29) Which of the following statements is true of web-based shopping and online self-service applications?

- A) They reduce understanding of customer requirements and motives in the long term.
- B) They increase the amount of time spent in face-to-face interactions with the customer.
- C) They enforce more rigorous security measures than brick-and-mortar versions.
- D) They reduce customer loyalty in the long term.

Answer: B

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

30) Decision making that draws on billions of pieces of aggregated information to reveal important trends and patterns is called _____.

- A) intuitive decision making
- B) uninformed decision making
- C) unstructured decision making
- D) data-driven decision making

Answer: D

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

31) Walking Together, an NGO, uses historical trends to determine in which month the amount given as donations is the highest, and then sets the dates for its donation drives based on the trends. This is an example of _____.

- A) data-driven decision making
- B) intuitive decision making
- C) customer relationship management
- D) business process reengineering

Answer: A

AACSB: Information Technology; Analytical Thinking

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Hard

32) _____ refers to the information that managers draw from both the company's own information systems and external sources to make decisions.

- A) Business intelligence
- B) Entrepreneurship
- C) Corporate governance
- D) Artificial intelligence

Answer: A

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

33) Play-e-ball, a company that creates games for gaming consoles, gathers data from the information systems of its partners, suppliers, and distributors. It uses this data along with internal data to develop different games for different consumer demographics, and it targets the most profitable segments. Which of the following is illustrated in this scenario?

- A) customer relationship management systems
- B) business intelligence
- C) inventory management
- D) virtual collaboration

Answer: B

AACSB: Information Technology; Analytical Thinking

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Hard

34) Which of the following reasons led to the popularity of social networking sites?

- A) These sites could be used without the Internet or WiFi connections.
- B) These sites only supported asynchronous communication.
- C) These sites did not require any security.
- D) These sites enabled the sharing of news, photos, videos, and tidbits easily.

Answer: D

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

Introduction to Information Systems, 3e (Wallace)

Chapter 1 Information Systems and People

1) Information systems should meet compliance standards set by governments and other regulatory agencies, which may change from time to time and also vary by country or state.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

2) Commercially produced information systems are inept at handling back-office information needs.

Answer: FALSE

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

3) Information systems support data-driven decision making which draws on a large amount of data to reveal important trends and patterns.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

4) Business intelligence refers to all the information available to managers from sources beyond the organization's own information systems.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

5) The development and application of innovative information systems improve the operations of an organization; however, they do not lead to any competitive advantage.

Answer: FALSE

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

6) Binary code for SOS is an example of knowledge.

Answer: FALSE

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Moderate

39) Which of the following statements is true of information systems (IS)?

- A) Despite the success of social networking, information systems have failed at improving virtual collaboration.
- B) The ability to provide companies with competitive advantage makes IS a core feature of a company's strategic vision.
- C) IS, although versatile, is not beneficial for government agencies or voluntary organizations.
- D) Information systems are not a fundamental part of a company's strategic vision.

Answer: B

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

40) Navi-devices Inc., a manufacturer of portable navigation devices, provides free traffic updates and identifies the nearest parking spaces available with its latest device. It accomplishes this by using GPS coordinates of subscribers and traffic data from radio stations. Which of the following is the most likely impact of this strategy?

- A) It will improve the company's operations management.
- B) It will improve their customer relationship management.
- C) It will lower their total revenue.
- D) It will provide the company with a competitive advantage.

Answer: D

AACSB: Information Technology; Analytical Thinking

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Hard

41) In Kansas, an athletics association is partnered with a university to identify talented youth across the state. They use an online test to ensure easy accessibility to students across the state. This is an illustration of _____.

- A) data-driven decision making
- B) strategic use of information systems
- C) use of business intelligence
- D) use of information systems for revenue generation

Answer: B

AACSB: Information Technology; Analytical Thinking

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Hard

42) Peter automates his email inbox such that his incoming mails are filtered with all junk mails sent directly to the spam folder. This saves him time as he does not have to sort through the mail to find his work-related mails. He also creates a group mailing list for his team that makes it easier for him to send mails to the entire team instead of including their email addresses individually. In this scenario, Peter is using information systems tools to _____.

- A) improve individual productivity
- B) keep his information secure
- C) transform his information
- D) make data-driven decisions

Answer: A

AACSB: Information Technology; Analytical Thinking

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Hard

43) Which of the following refers to individual facts or pieces of information?

- A) data
- B) bytes
- C) insights
- D) knowledge

Answer: A

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Easy

44) Which of the following refers to facts that are assembled and analyzed to add meaning and usefulness?

- A) insights
- B) information
- C) knowledge
- D) systems

Answer: B

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Easy

45) A single high-temperature reading of a patient at Patient First, a 24-hour walk-in clinic in Florida, is a piece of _____.

- A) information
- B) intuition
- C) evidence
- D) data

Answer: D

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Moderate

46) Mark, a 22-year-old with a viral infection, is admitted to a hospital. On the second day post-admission, a nurse takes a single high-temperature reading and enters it into the patient records information system. This single reading, when combined with Mark's other symptoms and previous medical records, becomes _____.

- A) knowledge
- B) data
- C) information
- D) analysis

Answer: C

AACSB: Information Technology; Analytical Thinking

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Hard

47) An information system is used to centralize information related to voting behavior in Texas. One of the indicators measured by the system is the average waiting time to vote. The time people spend waiting in line to vote at each polling booth is aggregated for each region. This is then used to create a graph that depicts the average waiting times by location. According to this scenario, which of the following refers to information?

- A) the waiting time of each voter
- B) a single cell in the information system's database
- C) the waiting time of a specific polling booth
- D) the graph with average waiting times

Answer: D

AACSB: Information Technology; Analytical Thinking

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Moderate

48) Robert, a stockbroker, recommends that his clients buy and hold stock of Andersonz Corp. for a minimum period of six months and then sell them. His recommendation is based on a graph of the firm's fluctuating performance for the past three quarters and an analysis of other information. The basis of Robert's recommendations can be termed as _____.

- A) instinct
- B) facts
- C) knowledge
- D) assumptions

Answer: C

AACSB: Information Technology; Analytical Thinking

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Hard

49) Which of the following statements is true of data, information, and knowledge?

- A) They blend together and form a continuum.
- B) They are mutually exclusive categories.
- C) They fail to help in understanding how information systems work.
- D) They are diverse terms and may not be used interchangeably.

Answer: A

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Moderate

50) People pay a monthly subscription fee to financial service companies to get current stock prices. Which of the following characteristics of information does this highlight?

- A) timeliness
- B) accuracy
- C) completeness
- D) relevance

Answer: A

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Easy

23) Which of the following is a function of operations management?

- A) building and maintaining customer relationships and supporting the processes that underlie them
- B) improvement of systems and processes which the organization uses to deliver its goods and services
- C) formulating a strategy for business diversification
- D) introducing a new product

Answer: B

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

24) Which of the following statements is true of information systems?

- A) Information systems are involved in tracking employee payroll, taxes, benefits, and timesheets.
- B) Information systems are inadequate at tracking movable assets, off-site resources, and inventories.
- C) Organizations avoid developing their own information systems to handle their back-office information needs.
- D) Organizations avoid moving information system functions to service providers or outsourcing them.

Answer: A

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

25) The use of information systems in achieving excellence in operations can result in _____.

- A) higher cost savings
- B) improved organizational justice
- C) increased brand dilution
- D) increased employee turnover

Answer: A

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

26) The use of an information system in a grocery store improves customer satisfaction by _____.

- A) providing self-service checkouts
- B) enabling identification of items without barcodes
- C) giving inventory information to customers
- D) using sophisticated identification checks to avoid theft

Answer: A

AACSB: Information Technology; Analytical Thinking

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

51) Chloe's, a chain of supermarkets, is conducting a customer survey in its largest store, which is in California. Customers are asked to fill out questionnaires as they enter the store. The questionnaire is divided into sections that poll customers on the store's products and the e-commerce website. Which of the following is a drawback of the data collected through this poll?

- A) It is not authentic.
- B) It is incomplete.
- C) It is not a valid method of soliciting customer feedback.
- D) It is an unscientific method of collecting data.

Answer: B

AACSB: Information Technology; Analytical Thinking

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Hard

52) _____ adds considerable value to information, particularly as a means to avoid bias or spin.

- A) Timeliness
- B) Accuracy
- C) Relevance
- D) Completeness

Answer: D

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Easy

53) Which of the following is a critical component of an information system?

- A) culture
- B) demographics
- C) processes
- D) ideas

Answer: C

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

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AACSB: Information Technology

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- D) ideas

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AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

58) Which of the following statements is true about user-generated content?

- A) It is driven by people and technology and does not require processes and data.
- B) It powers the generation of content in what has come to be known as Web 1.0.
- C) It makes up most of the information in systems such as eBay, Craigslist, and Wikipedia.
- D) It is often produced by professionals with the expectation of profit or remuneration.

Answer: C

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

59) Which of the following statements is true about information and communications technology?

- A) Increasingly, wireless transmission is favored because of its speed and flexibility although extra costs are incurred.
- B) Information and communications technology is a separate category and does not come under the IT component.
- C) Many developing countries that can't afford to install wireless transmissions are transforming their communications and expanding Internet access by building copper-wired networks.
- D) The main role of the telecommunications component involves moving electronic signals from one place to another.

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

60) Which of the following statements is true of information technology (IT)?

- A) Information technology includes hardware and software, but excludes telecommunications.
- B) Anything capable of collecting, processing, storing, or displaying electronic data is potentially part of an information system.
- C) Telecommunications and networks should not be confused as a part of IT.
- D) The Internet and the World Wide Web have hampered software creativity.

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

61) The multitude of servers in Google's windowless data centers serves as an example that represents _____.

- A) competitive advantage
- B) business intelligence
- C) information technology
- D) user-generated content

Answer: C

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

62) _____ is a set of activities designed to achieve a task.

- A) Information technology
- B) Competitive advantage
- C) User-generated content
- D) Business process

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

63) The function of which of the following components of an information system is to oversee if every data transaction made by an employee is logged in the information system?

- A) strategy
- B) technology
- C) process
- D) data

Answer: C

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

54) In an organization that is open to ideas from all employees, _____.

- A) it becomes tougher to implement new information systems
- B) user-generated content is strictly restricted
- C) information systems based on ideas from employees will fail
- D) innovative concepts for information systems can come from any level

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

55) Which of the following statements is true of the information technology team in an organization?

- A) It uses focus groups exclusively to generate ideas rather than relying on other employees.
- B) It works closely with the staff from other functional areas of the organization.
- C) It discourages contributions and feedback from the users.
- D) It encourages non-technical staff to engage in end-user development of information systems.

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

56) Purple Stones, an interior decorator, has an online store to enable quicker purchase of its products. The website allows users to post reviews of products. This helps other customers evaluate the quality of a product before buying it. Which of the following is illustrated in this scenario?

- A) competitive advantage
- B) artificial intelligence
- C) user-generated content
- D) economies of scale

Answer: C

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Hard

57) Which of the following websites predominantly features user-generated content?

- A) Flavors, an online shopping store that allows users to edit their profiles after registration
- B) WritingTips, a website that offers tips to amateur writers
- C) PlayPen, an online store that sells kids' toys
- D) Foodmania, a website that allows its users to post their own food recipes and upload photos

Answer: D

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Hard

- 64) Which of the following questions pertains to maintaining security in an information system?
- A) Should the IT department add users to a system or hand over the responsibility to concerned departments?
 - B) Should the information system be shut down once a month to carry out maintenance tasks?
 - C) Should the system administrators log all changes made to the data, irrespective of the employee?
 - D) Should an employee be allowed to delete or access data that another employee inputs into the information system?

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

- 65) How are policies enforced in information systems?
- A) Each user can select the policies to be enforced on the individual's account.
 - B) Information systems come with built-in policies that are installed into the system.
 - C) The operational-level employees decide the policies that need to be enforced in an information system.
 - D) Managers develop policies that are enforced by the information systems.

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

- 66) Which of the following is a function of the telecommunications component?
- A) protecting the anonymity of users
 - B) routing traffic to different locations
 - C) enabling client-side processing of data
 - D) providing better systems to store electronic data

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

- 67) Which of the following best describes a business process?
- A) It is a set of activities designed to achieve a task.
 - B) It is an algorithm in an information system.
 - C) It is a set of security policies that governs a business.
 - D) It refers to an idea that guarantees a firm a lead over its rivals.

Answer: A

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

68) How does implementing information systems impact business processes?

- A) It eliminates the need for human intervention in a business process.
- B) It promotes a decentralized approach to information management.
- C) It helps eliminate business processes that aren't necessary.
- D) It eliminates the need for organizations to invest in data security.

Answer: C

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

69) _____ focuses on designing, optimizing, and streamlining business processes throughout the organization, taking into account the human element.

- A) Business intelligence
- B) Business process management
- C) Database warehousing
- D) Enterprise resource management

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

70) In order to safeguard individuals' sensitive information, which of the following organizations would typically restrict its employees' Internet usage?

- A) a hospital
- B) a start-up IT company
- C) a travel agency
- D) a child development NGO

Answer: A

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

71) A quantitative analyst working in an investment bank will be able to _____.

- A) share personal pictures and videos on the bank's servers
- B) access some information on the bank's servers
- C) use the Internet freely and access any website
- D) take files home on portable USB flash drives

Answer: B

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

72) Which of the following is a method employed by some organizations to prevent access to USB ports in order to keep employees from copying data?

- A) using epoxy glue
- B) using a captcha
- C) performing a warm boot
- D) upgrading middleware

Answer: A

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

73) Which of the following has led to strict laws about retaining electronic documents?

- A) increasing corporate scandals
- B) a need for elaborate reporting
- C) a need to improve brand image of products
- D) decreasing enterprise workforce effectiveness

Answer: A

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

74) _____ refers to the processes by which electronic data that might be used as legal evidence are requested, secured, and searched.

- A) Drive-by download
- B) Key logging
- C) Pharming
- D) E-discovery

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

75) As a result of people editing, cutting and pasting, and making copies of electronic documents, _____.

- A) more than 75 percent of U.S. corporations have solid electronic document retention policies in place
- B) organizations find it difficult to manage the electronic document retention process
- C) companies no longer find it necessary to invest in e-discovery
- D) organizations seldom review the existing business processes and organizational policies

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

80) Which of the following statements is true of management information systems?

- A) The management information systems discipline had been in existence prior to the invention of the first generation computer.
- B) Management information systems lack the ability to support tactical decision making at the managerial level.
- C) The management information systems discipline draws interest from researchers and practitioners only from the computer science field.
- D) The study of information systems that includes how people, technology, processes, and data work together is called management information systems.

Answer: D

AACSB: Information Technology

Chapter LO: 4: Identify several research areas in the discipline of management information systems (MIS).

Difficulty: Moderate

81) Which of the following is an example of volunteering with the help of an information system?

- A) A volunteer uses his cell phone to translate books into Spanish while commuting to work.
- B) A volunteer visits a branch of the CRY organization in his city to donate money.
- C) A volunteer spends every summer teaching English in schools in Africa.
- D) A volunteer donates his old clothes to an orphanage in his neighborhood.

Answer: A

AACSB: Information Technology; Analytical Thinking

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

82) Which of the following poses a hindrance to the adoption of information systems in nonprofit organizations and government?

- A) the complexity of information systems
- B) the absence of tech-savvy employees in the market
- C) the lack of dedicated funding
- D) the weak security of information systems

Answer: C

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

61) The multitude of servers in Google's windowless data centers serves as an example that represents _____.

- A) competitive advantage
- B) business intelligence
- C) information technology
- D) user-generated content

Answer: C

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

62) _____ is a set of activities designed to achieve a task.

- A) Information technology
- B) Competitive advantage
- C) User-generated content
- D) Business process

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

63) The function of which of the following components of an information system is to oversee if every data transaction made by an employee is logged in the information system?

- A) strategy
- B) technology
- C) process
- D) data

Answer: C

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

76) Raw facts that are available in different formats and sizes are called _____.

- A) information
- B) data
- C) insights
- D) knowledge

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

77) Which of the following factors is the most important reason why data can be shared across different systems?

- A) the ability to convert any data into digital form
- B) the creation of wireless communication technologies
- C) the use of cloud storage to store off-site data
- D) the presence of different formats of data

Answer: A

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

78) Sensors that pick up geographic location, temperature, motion, wind speed, heart rate, and much more are combining to form what?

- A) User-generated content
- B) Internet 2.0
- C) Cloud storage
- D) The Internet of Things

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

79) Which of the following statements is true of management information systems?

- A) This discipline draws interest from researchers and practitioners from the computer science field exclusively.
- B) This field has been in existence for the last fifty years.
- C) They seldom change and hence require no upgradation.
- D) They support tactical decision making at the managerial level.

Answer: D

AACSB: Information Technology

Chapter LO: 4: Identify several research areas in the discipline of management information systems (MIS).

Difficulty: Moderate

- 64) Which of the following questions pertains to maintaining security in an information system?
- A) Should the IT department add users to a system or hand over the responsibility to concerned departments?
 - B) Should the information system be shut down once a month to carry out maintenance tasks?
 - C) Should the system administrators log all changes made to the data, irrespective of the employee?
 - D) Should an employee be allowed to delete or access data that another employee inputs into the information system?

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

- 65) How are policies enforced in information systems?
- A) Each user can select the policies to be enforced on the individual's account.
 - B) Information systems come with built-in policies that are installed into the system.
 - C) The operational-level employees decide the policies that need to be enforced in an information system.
 - D) Managers develop policies that are enforced by the information systems.

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

- 66) Which of the following is a function of the telecommunications component?
- A) protecting the anonymity of users
 - B) routing traffic to different locations
 - C) enabling client-side processing of data
 - D) providing better systems to store electronic data

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

- 67) Which of the following best describes a business process?
- A) It is a set of activities designed to achieve a task.
 - B) It is an algorithm in an information system.
 - C) It is a set of security policies that governs a business.
 - D) It refers to an idea that guarantees a firm a lead over its rivals.

Answer: A

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

72) Which of the following is a method employed by some organizations to prevent access to USB ports in order to keep employees from copying data?

- A) using epoxy glue
- B) using a captcha
- C) performing a warm boot
- D) upgrading middleware

Answer: A

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

73) Which of the following has led to strict laws about retaining electronic documents?

- A) increasing corporate scandals
- B) a need for elaborate reporting
- C) a need to improve brand image of products
- D) decreasing enterprise workforce effectiveness

Answer: A

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

74) _____ refers to the processes by which electronic data that might be used as legal evidence are requested, secured, and searched.

- A) Drive-by download
- B) Key logging
- C) Pharming
- D) E-discovery

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

75) As a result of people editing, cutting and pasting, and making copies of electronic documents, _____.

- A) more than 75 percent of U.S. corporations have solid electronic document retention policies in place
- B) organizations find it difficult to manage the electronic document retention process
- C) companies no longer find it necessary to invest in e-discovery
- D) organizations seldom review the existing business processes and organizational policies

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

76) Raw facts that are available in different formats and sizes are called _____.

- A) information
- B) data
- C) insights
- D) knowledge

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

77) Which of the following factors is the most important reason why data can be shared across different systems?

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- B) the creation of wireless communication technologies
- C) the use of cloud storage to store off-site data
- D) the presence of different formats of data

Answer: A

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

78) Sensors that pick up geographic location, temperature, motion, wind speed, heart rate, and much more are combining to form what?

- A) User-generated content
- B) Internet 2.0
- C) Cloud storage
- D) The Internet of Things

Answer: D

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

79) Which of the following statements is true of management information systems?

- A) This discipline draws interest from researchers and practitioners from the computer science field exclusively.
- B) This field has been in existence for the last fifty years.
- C) They seldom change and hence require no upgradation.
- D) They support tactical decision making at the managerial level.

Answer: D

AACSB: Information Technology

Chapter LO: 4: Identify several research areas in the discipline of management information systems (MIS).

Difficulty: Moderate

80) Which of the following statements is true of management information systems?

- A) The management information systems discipline had been in existence prior to the invention of the first generation computer.
- B) Management information systems lack the ability to support tactical decision making at the managerial level.
- C) The management information systems discipline draws interest from researchers and practitioners only from the computer science field.
- D) The study of information systems that includes how people, technology, processes, and data work together is called management information systems.

Answer: D

AACSB: Information Technology

Chapter LO: 4: Identify several research areas in the discipline of management information systems (MIS).

Difficulty: Moderate

81) Which of the following is an example of volunteering with the help of an information system?

- A) A volunteer uses his cell phone to translate books into Spanish while commuting to work.
- B) A volunteer visits a branch of the CRY organization in his city to donate money.
- C) A volunteer spends every summer teaching English in schools in Africa.
- D) A volunteer donates his old clothes to an orphanage in his neighborhood.

Answer: A

AACSB: Information Technology; Analytical Thinking

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

82) Which of the following poses a hindrance to the adoption of information systems in nonprofit organizations and government?

- A) the complexity of information systems
- B) the absence of tech-savvy employees in the market
- C) the lack of dedicated funding
- D) the weak security of information systems

Answer: C

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

83) A _____ is the person who heads the department responsible for managing and maintaining information systems, and ensuring they support the organization's strategic goals.

- A) Chief Information Officer
- B) Chief Finance Officer
- C) Chief Knowledge Officer
- D) Chief Privacy Officer

Answer: A

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

84) Which of the following statements is true of the IT department areas?

- A) The help desk department maintains the environmentally controlled areas in which servers and communications equipment are located.
- B) The systems administration department installs, manages, and updates servers.
- C) The enterprise systems and applications department handles backups and archiving.
- D) The operations department provides services to internal and external customers on technology issues.

Answer: B

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

85) Harry, an employee of Bennett-Techno Inc., is responsible for ensuring that the technological setup in the organization supports the organization goals. Which of the following positions does Harry hold in the organization?

- A) Human Resource Director
- B) Chief Executive Officer
- C) Vice President of Sales
- D) Chief Information Officer

Answer: D

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Hard

86) Which of the following is a common source of misunderstanding between IT and other departments?

- A) different levels of organization goals
- B) bad infrastructure
- C) different levels of communication skills
- D) technical jargon

Answer: D

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

87) Marsha, a sales executive, faces issues while copying data from one spreadsheet to another. The formatting of the copied data is not the same as that of the data that is pasted. She started facing this problem only after her older spreadsheet application was upgraded to a newer version. She raises a ticket stating "Request older system. New system not working as desired." The IT technician misconstrues this as a request to replace the computer with an older version. When Marsha returns the next morning, she finds that her computer has been replaced with an older version. Which of the following is the reason why her request had been misunderstood?

- A) absence of a proper IT-support structure
- B) the lack of a dedicated help desk
- C) different levels of communication skills
- D) the jargon barrier

Answer: D

AACSB: Information Technology; Analytical Thinking

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Hard

88) Which of the following functional areas in an information systems department maintains the location of servers and communications equipment?

- A) operations
- B) end-user support
- C) services administration
- D) systems

Answer: A

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

89) In an information systems department, the enterprise systems subunit is responsible for _____.

- A) installing, managing, and updating servers
- B) providing services to internal and external customers on technology issues
- C) developing, installing, maintaining, and overseeing the organization's mission-critical software applications
- D) maintaining the environmentally controlled areas in which servers and communications equipment are located

Answer: C

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

90) In an information system department, the operations department is responsible for _____.

- A) installing and managing communications technologies and networks
- B) providing services to internal and external customers on technology issues
- C) installing and updating servers
- D) handling backups and archiving

Answer: D

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

91) Which of the following individuals is responsible for ensuring that a company's confidential information is well-protected?

- A) the Chief Information Security Officer
- B) the Chief Executive Officer
- C) the Chief Technology Officer
- D) the Chief Knowledge Officer

Answer: A

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

92) _____ plays a leading role in managing efforts to improve an organization's ability to capture, nurture, and disseminate expertise.

- A) Chief Technology Officer
- B) Chief Knowledge Officer
- C) Chief Privacy Officer
- D) Chief Information Security Officer

Answer: B

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

93) A patient lodges a complaint with the management of a hospital because he is unsatisfied with their policies on safeguarding patient information. In this situation, which of the following individuals is responsible for ensuring that the hospital policies safeguard the information of the patients?

- A) the Chief Executive Officer
- B) the Chief Technology Officer
- C) the Chief Knowledge Officer
- D) the Chief Privacy Officer

Answer: D

AACSB: Information Technology; Analytical Thinking

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Hard

94) Unknown hackers hack into the network security of a bank and steal the personal identification information of approximately 200,000 clients. Which of the following persons will be responsible for handling this situation?

- A) the Chief Technology Officer
- B) the Chief Knowledge Officer
- C) the Chief Procurement Officer
- D) the Chief Information Security Officer

Answer: D

AACSB: Information Technology; Analytical Thinking

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

95) Which of the following techniques helps IT staff collaborate with people in other functional areas?

- A) focusing on technical issues and ignoring the business goals
- B) avoiding the use of technical terms while speaking to internal customers
- C) learning human resource terminologies and strategies
- D) educating internal customers about technical jargons

Answer: B

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

96) The facilities manager at Symphony Systems, an IT services company, wants the information systems department to set up a virtual collaboration team. Which of the following ways would enable him to communicate more effectively with the IT staff?

- A) avoiding IT jargon
- B) emphasizing the returns on investment
- C) highlighting the value of IT
- D) describing his end goal and not the means to get there

Answer: D

AACSB: Information Technology; Analytical Thinking

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

97) InfoTech Horizons, an IT company, is seeking to hire an experienced IT professional to assist the Chief Information Officer in his role. The new hire will be groomed to take on the role of the Chief Information Officer. Which of the following candidates, all of whom have good technical skills, will prove to be the best choice?

- A) a computer professional with good knowledge of business
- B) a computer professional who uses jargon very often while interacting with internal customers
- C) a computer professional who is of the opinion that people without technical knowledge should be laid-off
- D) a computer professional who discourages ideas from employees about changing the information systems

Answer: A

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

- 98) Which of the following is the role of a Chief Privacy Officer in an organization?
- A) overseeing the use of technology and innovation in the organization
 - B) ensuring that private information of customers is protected from natural disasters
 - C) helping shape the policies that govern the protection of confidential information
 - D) improving the organization's ability to capture, nurture, and disseminate knowledge

Answer: C

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

- 99) The risk of privacy breaches in information systems has increased because _____.
- A) information systems have become more powerful and interconnected
 - B) information systems seldom need to be upgraded
 - C) there are no regulations and standards for developing information systems
 - D) information systems have become increasingly isolated

Answer: A

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Moderate

- 100) It is important to appreciate the ethical issues involved in the development and use of information systems because _____.
- A) the data they contain is vast and personal
 - B) the revenue of organizations is closely tied to their use
 - C) they are not regulated by any governmental bodies
 - D) they can be mass-produced by organizations with limited technical expertise

Answer: A

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Moderate

- 101) _____ is responsible for identifying, assessing, and addressing threats to an organization from unforeseen circumstances.
- A) The crisis management team
 - B) The customer relationship management team
 - C) The supply chain management team
 - D) The operations management team

Answer: A

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Easy

102) Which of the following is an example of an amplification effect related to information systems?

- A) Information stored on the Internet can be hacked and stolen by anyone, irrespective of their geographic location.
- B) Data on email services can be hacked leading to privacy breaches and exposing of private communication.
- C) Information on a person's social networking account can easily be distributed to an unintended audience.
- D) Data from email or photo uploads to the Internet can be secured by choosing the appropriate privacy settings.

Answer: C

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Hard

103) Which of the following statements is true about the ethical issues surrounding information systems?

- A) It is easy to determine who is responsible for the damage caused by accidental leaks of private information.
- B) People tend to judge the severity of ethical violations in information systems partly on the basis of the number of people affected.
- C) Information systems are powerful and contain vast amounts of personal data making the ethicality of its use a tertiary concern.
- D) The amplification effect of information systems minimizes the harm caused by ethical violations of information systems.

Answer: B

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Moderate

104) Which of the following is the reason why privacy breaches present major risks in this era of information system computing?

- A) The amount of information that is stored in information systems is vast and very private.
- B) It is not possible to identify the source of a security breach.
- C) The information systems are isolated from each other.
- D) Cheaper storage devices offer faster transport of confidential information from one geographical location to another.

Answer: A

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Moderate

115) Describe the field of management information systems. List some of the areas that attract much of the interest in this field.

Answer: The study of information systems, how people, technology, processes, and data work together, is a lively discipline involving university faculty, private-sector analysts, government agencies, and more. Many refer to the field as management information systems (MIS), and academic departments in colleges and universities often bear that name.

The field draws researchers and practitioners from business, computer science, psychology, sociology, public administration, and many other subjects, all of whom have an interest in learning more about how the systems that can be created to help organizations do more with less, make companies more competitive, increase productivity, and improve the lot of people around the world.

AACSB: Information Technology

Chapter LO: 4: Identify several research areas in the discipline of management information systems (MIS).

Difficulty: Easy

116) Describe the trends in research in the field of management information systems.

Answer: Examining the articles in the major journals since the mid-1980s, researchers found a fascinating shift in the topics. Hardly anyone was investigating the impact of IT on markets in the early days, but the Internet changed that picture. The Internet offers remarkable opportunities to invent global e-market places for stocks, real estate, music, used books, rare antiques, and even social encounters. How organizations build trust, protect privacy, satisfy customers, and make a profit in these worldwide e-markets are very hot topics for research.

Research on group collaboration, especially when team members are dispersed around the world, is far more important now because of virtual teams and globalization. The psychology of group dynamics subtly changes when team members use online tools, and the shifts are not always positive. Investigations of successful and unsuccessful teams shed light on strategies people can use to make virtual teams more successful. Most students engage in some virtual teamwork, especially those who take some or all of their courses online. Virtual teamwork and collaboration skills are critical.

AACSB: Information Technology

Chapter LO: 4: Identify several research areas in the discipline of management information systems (MIS).

Difficulty: Hard

112) What role do people play as a component of an information system?

Answer: The design, development, launch, and maintenance of any information system involves teams of people. They play a number of different roles-as visionaries, developers, and managers of information systems, and also as analysts, liaisons, users, customers, contributors, and sometimes opponents or roadblocks.

Leaders may be first to propose a system that will accomplish an important strategic objective for the company. However, innovative ideas for such systems come from every level. Managers and staff from many departments participate on teams with technologists to design a new system or evaluate commercial systems that might be purchased. The information technology team usually works closely with staff in marketing, finance, human resources, and other functional areas to launch user-friendly, people-oriented systems.

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

113) Why are wireless transmission systems favored over wired transmission systems?

Answer: The main role of the telecommunications component is to move electronic signals from one place to another, route traffic, and provide various services to improve transmission speeds, eliminate noise, increase security, or analyze traffic patterns. Increasingly, wireless transmission is favored because of its flexibility and reduced cost, though speed still lags. Wireless is also easier to recover after a disaster that brings down telecom facilities. When hurricane winds knock out cell-phone towers, for example, trucks equipped with mobile towers can be brought in to restore service. Advances in wireless technologies are making access possible in even the most remote corners of the globe.

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

114) How do information systems improve business processes?

Answer: Organizations implement information systems to support, streamline, and sometimes eliminate business processes. Countless decisions are made about how each process should operate, what rules it should follow, how information should be handled from input to output, and especially how the information system will support the process. Managers develop policies that affect information system processes and the systems can enforce those policies. A major policy category involves security. The steps in any process are affected by thousands of decisions people make, and these are influenced by the way people look at process improvements.

Information systems help bring in these improvements.

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

110) Explain, with an example, how data might be aggregated and analyzed to create information and knowledge.

Answer: The term data refers to individual facts or pieces of information and information refers to data or facts that are assembled and analyzed to add meaning and usefulness. For example, a single high-temperature reading of an incoming patient at Patient First, a 24-hour walk-in clinic in Laurel, Maryland, is one piece of data. But entered into the patient records information system, and combined with the patient's other symptoms and previous medical records, it becomes far more valuable as a diagnostic tool. Even more value can be obtained from this one temperature reading by aggregating it with the data from other patients entering the clinic that week. Tables and charts constructed from these data, analyzed by geographic region, may indicate a flu epidemic or the first signs of a pandemic emergency. As information from many clinics, emergency rooms, and doctors' offices pours in and the public health staff at the Centers for Disease Control in Atlanta analyzes maps, patient diagnoses, and many other facts, a pattern may emerge that warrants swift action. Information can be further refined, analyzed, and combined to make it even more useful, and extremely valuable. No clear dividing lines separate these categories, and people often use the terms interchangeably. They blend together and form a continuum as more meaning and usefulness are created through analysis and skillful combination of many sources of data and human insight.

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Moderate

111) Describe, with examples, the characteristics that make information valuable.

Answer: Three characteristics that contribute to making information valuable are: timeliness, accuracy, and completeness.

Timeliness matters a great deal in some settings, and near real-time information often costs more. For example, people pay monthly subscription fees to financial service companies to get up-to-the minute stock prices, rather than the delayed price reports shown on free stock tickers one can add to their browser.

Accuracy may seem like an obvious attribute for valuable information, but there actually are degrees of accuracy. The more accurate the information required, the longer it may take to obtain, making extreme accuracy a trade-off to timeliness. A CEO who wants to know how much competitors charge for a rival product, for example, would have to wait quite a while for staff to scour all the distribution channels and assemble the data. An approximate but timely answer is more valuable.

Completeness adds considerable value, particularly as a means to avoid bias or spin. A marketing survey that polls customers as they enter a store will completely miss those who shop online, for example. The survey results would be incomplete without taking greater care to assess the interests of all the customers. Striving for complete information, however, may also introduce delays that affect timeliness.

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Moderate

108) Explain how information systems can contribute to gaining competitive advantage.

Answer: Information systems play what could be their most valuable role when they are tied closely to strategy and to the major initiatives that will help achieve competitive advantage.

Information systems are a fundamental part of a company's strategic vision. The vision itself is often shaped by what these systems can achieve today and what is possible for the future.

Strategy is equally important to nonprofit organizations and government agencies, and their information systems break new ground by offering new services to the public, increasing access for all citizens, streamlining operations, reducing costs, and improving decision making.

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

109) Explain how information systems can help in improving personal productivity.

Answer: There are a wide range of information system tools that help people improve their own productivity on the job and in life such as smartphones that combine voice calls with web browsing, contact databases, email, music, and games, to the many software applications that eliminate tedious work. Even word processing has transformed work in every organization, and it offers numerous tools and add-ons that many people don't know about that can further improve individual productivity. Students, for example, can automatically create and properly format their term paper references by integrating a bibliographic manager such as EndNote or RefNote.

Online libraries and reference databases offer links to export the citation in any format, so typing is unnecessary. To improve productivity at work, people can choose from a wide variety of computer software and electronic devices.

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

35) Which of the following is a concern regarding information systems that support virtual teamwork?

- A) the lack of social networking capabilities
- B) the restriction of simultaneous users
- C) the relative stage of infancy of such systems
- D) the inability to use video conferencing

Answer: C

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

36) Which of the following statements is true of information systems that support collaborative human activities?

- A) These information systems do not yet have tools for document management, project updates, issue tracking, and shared calendars.
- B) These systems, besides being complex and difficult to implement, offer minimal returns on investment.
- C) These systems, being in their early stages, offer a framework for more improvements and features to be included.
- D) These systems are equipped with enough sophisticated technology to replace mature and complex systems such as decision support systems.

Answer: C

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

37) Cadmia University is planning to start an online course called "Cultural diversities". The university wants to develop an information system to support virtual, collaborative education. Which of the following factors should be taken into account when developing the new system?

- A) the way students interact in an actual classroom setting
- B) the average time spent online by students
- C) the negative impact of social networking sites
- D) the religious sentiments of the students

Answer: A

AACSB: Information Technology; Analytical Thinking

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Hard

38) Anything that gives a firm a lead over its rivals is called _____.

- A) economies of scale
- B) business growth
- C) break-even
- D) competitive advantage

Answer: D

AACSB: Analytic Skills

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

117) Explain, with an example, how information systems can make an enormous contribution to nonprofit organizations.

Answer: Typically, nonprofit volunteers are "do-ers" who simply deliver their experience face-to-face. However, knowledge of information systems can make an enormous contribution to a nonprofit organization. For example, UNICEF relief workers create inexpensive podcasts and "vodcasts" (podcasts with video) to relay the plight of children from war, disease, or disasters in troubled parts of the world. Rather than spending money on radio or TV broadcasts, workers freely distribute the short, timely, and compelling video messages worldwide through the net or via download to supporters' cell phones.

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

118) Who are the individuals involved in information systems that take on leadership roles? List some of the common functional areas in an information system.

Answer: The functional business unit responsible for planning, managing, and supporting information systems is often called "Information Technology." Heading the department is the chief information officer (CIO). The CIO might report directly to the CEO or to another vice president, often the one responsible for finance and administration. Working with the CIO, especially in larger organizations and major companies, are more staff positions with "chief" in their titles, such as Chief Information Security Officer, Chief Technology Officer, and Chief Knowledge Officer. The common functional areas in an information systems department include end-user support and help desk, systems administration, operations, systems, and telecommunications and network services.

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Moderate

119) Why is the IT department often perceived as impenetrable to people from other areas of an organization?

Answer: Disconnects in communication between IT staff and others in the organization often arise due to the jargon barrier. People often get frustrated when IT doesn't respond immediately to their ideas or suggestions. Like all functional business units, IT has a full plate of ongoing projects, prioritized by the CIO working with the CEO and other top executives to ensure that resources are wisely spent with a solid return on investment. Because of this, technicians are forced to move onto the next trouble ticket, and are unable to spend a long time on each ticket. Such communication barriers make the IT department seem impenetrable.

AACSB: Information Technology

Chapter LO: 5: Provide examples of how business, nonprofit, and government managers, as well as information technology departments, depend on information systems knowledge.

Difficulty: Easy

68) How does implementing information systems impact business processes?

- A) It eliminates the need for human intervention in a business process.
- B) It promotes a decentralized approach to information management.
- C) It helps eliminate business processes that aren't necessary.
- D) It eliminates the need for organizations to invest in data security.

Answer: C

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

69) _____ focuses on designing, optimizing, and streamlining business processes throughout the organization, taking into account the human element.

- A) Business intelligence
- B) Business process management
- C) Database warehousing
- D) Enterprise resource management

Answer: B

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

70) In order to safeguard individuals' sensitive information, which of the following organizations would typically restrict its employees' Internet usage?

- A) a hospital
- B) a start-up IT company
- C) a travel agency
- D) a child development NGO

Answer: A

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

71) A quantitative analyst working in an investment bank will be able to _____.

- A) share personal pictures and videos on the bank's servers
- B) access some information on the bank's servers
- C) use the Internet freely and access any website
- D) take files home on portable USB flash drives

Answer: B

AACSB: Information Technology; Analytical Thinking

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy

120) Explain, with examples, how modern information systems can easily amplify any communication.

Answer: Modern information systems are very powerful and interconnected. Also, the data they contain is vast and personal. Modern information systems can easily amplify any communication, putting people's reputation and livelihood at risk. For example, any email one sends or photo one uploads can be forwarded or posted online for millions to view. Text, photos, and videos uploaded to a person's social networking site can easily be distributed to a far wider audience beyond his or her own network.

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Easy

105) Which of the following is a constraint on crisis management teams?

- A) They lack backup systems.
- B) They have very little time to react and take action.
- C) They lack tools to identify the source of security breaches.
- D) They have limited organizational policies to guide them in such situations.

Answer: B

AACSB: Information Technology

Chapter LO: 6: Explain how information systems present both promises and perils, and pose ethical questions.

Difficulty: Moderate

106) What role do information systems play in organizations? Illustrate your answer with examples.

Answer: Multinational firms, small businesses, nonprofits, governments, volunteer organizations, self-employed entrepreneurs, universities, and other organizations rely on information systems for a host of reasons, and they continue to adapt, expand, and interconnect them to achieve their strategic objectives. These systems play critical roles in several contexts: operations management, customer interactions, decision making, collaboration and teamwork, strategic initiatives and competitive advantage, and individual productivity. Depending on their missions, organizations also need information systems to manage industry specific operations. For example, manufacturers need systems to manage assembly lines, product quality, production schedules, and just-in-time supply deliveries. Colleges and universities need systems to manage student academic records, class scheduling, faculty assignments, and student financial aid. Transportation companies rely on information systems equipped with GPS to track their fleets, optimize routes, and conserve gas. Companies that buy products from suppliers around the globe need real-time updates on their global supply chains to manage inventories and reduce costs.

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Moderate

107) Explain how web-based shopping and online self-service improves customer relationships.

Answer: Web-based shopping and self-service transform relationships with customers, freeing them from time-consuming phone calls. These web-based processes often mimic the brick-and-mortar versions, with "shopping carts" and "checkouts" clearly labeled. A web application offers many opportunities to build stronger relationships and also better understand the motives and desires of each person who visits.

AACSB: Information Technology

Chapter LO: 1: Describe the main roles that information systems play in organizations.

Difficulty: Easy

7) The binary code for SOS is information and the word "HELP!!!" is knowledge.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Easy

8) A news agency requires an immediate account of the casualties in an airplane accident for a news alert. In this situation, a quick, approximate report is preferred rather than a detailed, accurate report that requires considerable time to prepare.

Answer: TRUE

AACSB: Information Technology; Analytical Thinking

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Moderate

9) Timelines add value to information as a means of avoiding bias.

Answer: FALSE

AACSB: Information Technology; Analytical Thinking

Chapter LO: 2: Compare the terms data, information, and knowledge, and describe three characteristics that make information valuable.

Difficulty: Easy

10) Fiber-optic cables, the coaxial cables used by cable TV companies, and the slender copper telephone wiring common in homes are an important part of the infrastructure of information systems.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

11) Organizations implement information systems to support and streamline business processes, but never to eliminate them.

Answer: FALSE

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Moderate

12) E-discovery is one of the methods used to uncover corporate scandals.

Answer: TRUE

AACSB: Information Technology

Chapter LO: 3: Describe the four main components of an information system and the role that each plays.

Difficulty: Easy
