

Package Title: Chapter 2, Testbank
Course Title: Rainer, IS 9e
Chapter Number: 2

Question type: Multiple Choice

1) The _____ divide refers to the gap between people who have access to modern information and communications technologies and those who do not; this phenomenon _____ exist in the United States.

- a) digital; does
- b) digital; does not
- c) technological; does
- d) technological; does not

Answer: A

Difficulty: Easy

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

2) To effectively use modern Internet, people must have a _____ connection which is the ability to download data at _____ Mbps and to upload data at _____ Mbps.

- a) bandwidth; 3; 25
- b) bandwidth; 25; 3
- c) broadband; 3; 25
- d) broadband; 25; 3

Answer: D

Difficulty: Easy

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

3) Americans who live in _____ areas are most likely to lack reliable broadband internet access; as of 2020, there _____ legislation in place to ensure all Americans have access to broadband internet.

- a) rural; is
- b) rural; is not
- c) urban; is
- d) urban; is not

Answer: B

Difficulty: Medium

Section Reference 1: Opening Case

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Analysis

Standard: AACSB Technology

4) _____ are materials, services, and information that flow through and are transformed as a result of process activities.

- a) Employees
- b) Inputs
- c) Outputs
- d) Resources

Answer: b

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

5) _____ are people and equipment that perform process activities.

- a) Employees
- b) Inputs
- c) Outputs
- d) Resources

Answer: d

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

6) _____ are the product or service created by the process.

- a) Employees
- b) Inputs
- c) Outputs
- d) Resources

Answer: c

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

7) _____ focuses on doing things well in the process; _____ are/is an example.

- a) Effectiveness; high-quality products
- b) Effectiveness; not wasting resources
- c) Efficiency; high-quality products
- d) Efficiency; not wasting resources

Answer: d

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

8) Efficiency focuses on _____ are/is an example.

- a) doing the things that matter; high-quality products

- b) doing the things that matter; not wasting resources
- c) doing things well in the process; high-quality products
- d) doing things well in the process; not wasting resources

Answer: d

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

9) _____ focuses on doing the things that matter; _____ are/is an example.

- a) Effectiveness; high-quality products
- b) Effectiveness; not wasting resources
- c) Efficiency; high-quality products
- d) Efficiency; not wasting resources

Answer: a

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

10) Effectiveness focuses on _____ are/is an example.

- a) doing the things that matter; high-quality products
- b) doing the things that matter; not wasting resources
- c) doing things well in the process; high-quality products
- d) doing things well in the process; not wasting resources

Answer: a

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

11) _____ is an example of effectiveness.

- a) Automating order entry
- b) Increasing customer satisfaction
- c) Reducing production time by one day
- d) Using RFID to track products

Answer: b

Difficulty: Hard

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Evaluation

Standard 1 : AACSB || Technology

12) _____ is an example of efficiency.

- a) Automating order entry
- b) Increasing customer satisfaction
- c) Improving product quality
- d) Reducing employee turnover

Answer: a

Difficulty: Hard

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Evaluation

Standard 1 : AACSB || Technology

13) The _____ process includes all the tasks involved in acquiring needed materials eternally from a vendor.

- a) accounting

- b) fulfillment
- c) marketing
- d) procurement

Answer: d

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

14) Procurement processes are NOT completed by _____.

- a) accounting
- b) purchasing
- c) sales
- d) warehouse

Answer: c

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

15) The _____ process is concerned with processing customer orders.

- a) accounting
- b) fulfillment
- c) marketing
- d) procurement

Answer: b

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

16) Fulfillment processes are NOT completed by _____.

- a) accounting
- b) purchasing
- c) sales
- d) warehouse

Answer: b

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

17) Information about a specific task or activity is _____ level data.

- a) fulfillment
- b) instance
- c) process
- d) procurement

Answer: b

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

18) _____ is a system that enables enterprises to automate business processes and tasks that historically were carried out by employees.

- a) Automatic processing
- b) Cobot process automation
- c) Robotic process automation
- d) Robot business streamlining

Answer: c

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

19) In September 2014, NASCAR implemented an app from _____ to perform prerace inspections.

- a) Amazon
- b) Apple
- c) Google
- d) Microsoft

Answer: d

Difficulty: Hard

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

20) NASCAR's prerace Microsoft app uses a _____ to track a car's inspection process.

- a) dashboard
- b) KPI
- c) TPS
- d) value chain

Answer: a

Difficulty: Easy

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

21) _____ is NOT a benefit of the NASCAR app.

- a) Digital notes
- b) Fewer violations
- c) Highlighted violations
- d) Quick access to the rulebook

Answer: b

Difficulty: Easy

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

22) NASCAR began using the new inspection system developed by Hawk-Eye Innovations in ____ .

- a) 2014
- b) 2016
- c) 2018
- d) 2020

Answer: C

Difficulty: Easy

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

23) The new NASCAR inspection system developed by Hawk-Eye Innovations creates ____ maps of each car and compares these maps to ____ from the car manufacturer.

- a) 2D; CAD
- b) 2D; CAM
- c) 3D; CAD
- d) 3D; CAM

Answer: C

Difficulty: Easy

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

24) _____ is the result of optimizing and aligning business processes to fulfill customers' needs, wants, and desires.

- a) Customer satisfaction
- b) Differentiation
- c) Productivity
- d) Quality

Answer: a

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

25) _____ is the result of optimizing operations and supplier processes.

- a) Cost reduction
- b) Differentiation
- c) Productivity
- d) Quality

Answer: a

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

26) _____ is the result of optimizing the manufacturing and logistics processes.

- a) Cost reduction
- b) Cycle and fulfillment time reduction
- c) Productivity
- d) Quality

Answer: b

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

27) _____ is the result of optimizing the design, development, and production processes.

- a) Cycle and fulfillment time reduction
- b) Differentiation
- c) Productivity
- d) Quality

Answer: d

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

28) _____ is the result of optimizing the marketing and innovation processes.

- a) Customer satisfaction
- b) Cycle and fulfillment time reduction
- c) Differentiation
- d) Productivity

Answer: c

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

29) _____ is the result of optimizing each individuals' work processes.

- a) Cycle and fulfillment time reduction
- b) Differentiation
- c) Productivity
- d) Quality

Answer: c

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

30) _____ uses a “clean sheet” perspective.

- a) BPC
- b) BPI
- c) BPM
- d) BPR

Answer: d

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

31) Many organizations find _____ too difficult, too radical, too lengthy, and too comprehensive.

- a) BPC
- b) BPI
- c) BPM
- d) BPR

Answer: d

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

32) _____ is an incremental approach that focuses on reducing variation in the process outputs by searching for the root causes of the variation in the process itself or among process inputs.

- a) BPC
- b) BPI
- c) BPM
- d) BPR

Answer: b

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

33) BPI is typically performed by _____.

- a) clerical workers
- b) executives
- c) knowledge workers
- d) low-level managers

Answer: c

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

34) Six Sigma is a popular _____ technique.

- a) BPC
- b) BPI
- c) BPM
- d) BPR

Answer: b

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

35) The correct order of the BPI phases is _____.

- a) analyze, control, define, measure, improve
- b) analyze, define, control, improve, and measure
- c) define, analyze, measure, control, improve
- d) define, measure, analyze, improve, and control

Answer: d

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

36) In the _____ phase of BPI, the BPI team documents the existing “as is” process activities, process resources, and process inputs and outputs.

- a) analysis

- b) control
- c) define
- d) improve
- e) measure

Answer: c

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

37) In the _____ phase of BPI, the BPI team figures out what the problem is with the current process.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: c

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

38) In the _____ phase of BPI, the BPI team identifies relevant process metrics and collects data to understand how the metrics evolve over time.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: e

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

39) In the _____ phase of BPI, the BPI team examines the “as is” process map and the collected data to identify problems with the process and their root causes.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: a

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

40) Organizations conduct benchmarking in the _____ phase of BPI.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: a

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

41) In the _____ phase of BPI, the BPI team identifies possible solutions for addressing the root causes, maps the resulting “to be” process alternatives, and selects and implements the most appropriate solution.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: d

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

42) In the _____ phase of BPI, the BPI team considers ways to solve the problems associated with the existing process.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: d

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

43) In the _____ phase of BPI, the BPI team establishes process metrics and monitors the improved process after the solution has been implemented to ensure the process performance remains stable.

- a) analysis
- b) control
- c) define

- d) improve
- e) measure

Answer: b

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

44) In the _____ phase of BPI, the BPI team follows-up to ensure the new process has fixed the problem.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: b

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

45) When you map out how your business currently processes customer orders to figure out how to reduce delivery time, this is part of the _____ phase of BPI.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: c

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Comprehension, Application

Standard 1 : AACSB || Technology

46) When you figure out that customer orders are delayed because you do not have enough employees picking orders in the warehouse, you are in the _____ phase of BPI.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: a

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Comprehension, Application

Standard 1 : AACSB || Technology

47) When you decide to start automating order entry by creating a website instead of forcing people to call into Inside Sales to place orders, you are in the _____ phase of BPI.

- a) analysis
- b) control
- c) define
- d) improve
- e) measure

Answer: d

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Comprehension, Application

Standard 1 : AACSB || Technology

48) _____ integrates disparate BPI initiatives to ensure consistent strategy execution.

- a) BPC
- b) BPM
- c) BPR
- d) BPS

Answer: b

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

49) _____ begins with process modeling.

- a) BPC
- b) BPM
- c) BPR
- d) BPS

Answer: b

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

50) BPM begins with _____ which is a graphical depiction of all of the steps in a process.

- a) input design
- b) input modeling
- c) process design
- d) process modeling

Answer: d

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

51) _____ is a real-time approach for measuring and managing business processes.

- a) BAM
- b) BPM
- c) BPR
- d) BPS

Answer: a

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

52) Social _____ enables employees to collaborate using social media tools on wired and mobile platforms both internally across functions and externally with stakeholders to exchange process knowledge and improve process execution.

- a) BPC
- b) BPM
- c) BPR
- d) BPS

Answer: b

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

53) Chevron identified their desired outputs and then worked backward by examining the supporting processes. They used a holistic approach that led the company to examine the interdependencies among processes used in different business units. This is a _____ approach.

- a) BPC
- b) BPI

- c) BPM
- d) BPR

Answer: d

Difficulty: Easy

Section Reference 1: IT's About Business 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

54) Chevron's initial effort to update its business processes was followed by several smaller, employee-driven _____ initiatives (many that used the Six Sigma improvement methodology).

- a) BPC
- b) BPI
- c) BPM
- d) BPR

Answer: b

Difficulty: Easy

Section Reference 1: IT's About Business 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

55) Chevron supported internal improvement efforts by getting its suppliers involved using a unified _____ approach that involved standardizing processes across the entire company and consolidating process information within a central repository.

- a) BPC
- b) BPI
- c) BPM
- d) BPR

Answer: c

Difficulty: Easy

Section Reference 1: IT's About Business 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

56) Chevron improved their business processes using _____.

- a) BPI then BPM then BPR
- b) BPI then BPR then BPM
- c) BPM then BPR then BPI
- d) BPR then BPI then BPM

Answer: d

Difficulty: Medium

Section Reference 1: IT's About Business 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

57) Globalization is a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: a

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

58) Powerful customers are a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: a

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

59) New smartphone versions are a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: c

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

60) Information overload is a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: c

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

61) The BYOD phenomenon is a _____ pressure.

- a) market
- b) societal
- c) technology

d) nonexistent

Answer: c

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

62) Environmental laws are a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: b

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

63) Carbon management is an issue associated with a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: b

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

64) The digital divide is an issue associated with a _____ pressure.

- a) market

- b) societal
- c) technology
- d) nonexistent

Answer: b

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

65) Compliance with government regulations is a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: b

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

66) The Sarbanes-Oxley Act is a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: b

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

67) HIPAA is a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: b

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

68) An organization's need to protect itself against cyberattacks is a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: b

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

69) Addressing information ethics is a _____ pressure.

- a) market
- b) societal
- c) technology
- d) nonexistent

Answer: b

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

70) _____ is a market pressure.

- a) globalization
- b) information overload
- c) protection against terrorist attacks
- d) technological innovation and obsolescence

Answer: a

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

71) _____ is a technology pressure.

- a) Globalization
- b) Information overload
- c) Protection against terrorist attacks
- d) Reducing the digital divide

Answer: b

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

72) _____ is a societal pressure.

- a) Globalization
- b) Information overload
- c) Protection against terrorist attacks
- d) Technological innovation and obsolescence

Answer: c

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

73) American companies can easily do business with Chinese companies. This is phenomenon is called _____.

- a) globalization
- b) information overload
- c) protection against terrorist attacks
- d) technological innovation and obsolescence

Answer: a

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Application

Standard 1 : AACSB || Technology

74) The internet makes customers _____ powerful; this is a _____ pressure.

- a) less; market
- b) less; societal
- c) more; market
- d) more; societal

Answer: c

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

75) _____ represents a huge challenge for IT departments because it means IT loses the ability to fully control and manage employee devices.

- a) BYOD
- b) ERP
- c) RFID
- d) TPS

Answer: a

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

76) _____ is a challenge of BYOD.

- a) Control
- b) Cost
- c) Productivity
- d) Satisfaction

Answer: a

Difficulty: Hard

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Evaluation

Standard 1 : AACSB || Technology

77) Which of the following is NOT an organizational response to business pressures?

- a) Creating a digital divide
- b) Developing strategic systems
- c) Focusing on customer wants
- d) Mass customization

Answer: a

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

78) Ford's original strategy was _____.

- a) configured mass customization
- b) consumer segmentation
- c) mass customization
- d) mass production

Answer: d

Difficulty: Hard

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

79) Ford, like many companies, had to adjust its strategy to focus on _____.

- a) consumer segmentation
- b) make-to-stock
- c) mass efficiency
- d) mass production

Answer: a

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

80) Mass _____ is essentially an attempt to perform make-to-_____ on a large scale.

- a) customization; order
- b) customization; stock
- c) ordering; custom
- d) ordering; stock

Answer: a

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

81) _____ involves companies providing standard specifications for different consumer groups.

- a) Configured mass customization
- b) Consumer segmentation

- c) Mass customization
- d) Mass production

Answer: b

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

82) _____ is the current strategy for many manufacturers where a company produces a large quantity of items but customizes them to match the needs and preferences of individual customers.

- a) Configured mass customization
- b) Consumer segmentation
- c) Mass customization
- d) Mass production

Answer: c

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

83) _____ describes the process of buying, selling, transferring, or exchanging products, services, or information through computer networks including the internet.

- a) Automatic business
- b) Automatic commerce
- c) Electronic business
- d) Electronic commerce

Answer: d

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

84) _____ refers to servicing customers, collaborating with business partners, and performing electronic transactions within an organization in addition to buying and selling of goods and services.

- a) Automatic business
- b) Automatic commerce
- c) Electronic business
- d) Electronic commerce

Answer: c

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

85) Which of the following is NOT one of the technologies researchers have used to address bleaching of the Great Barrier Reef?

- a) artificial intelligence
- b) drones
- c) telemedicine
- d) robots

Answer: C

Difficulty: Easy

Section Reference 1: IT's About Business 2.3

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB Technology

86) The RangerBot used to monitor the Great Barrier Reef is a _____.

- a) cobot
- b) drone
- c) industrial robot
- d) IoT device

Answer: B

Difficulty: Easy

Section Reference 1: IT's About Business 2.3

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB Technology

87) To meet these challenges about how to distribute coral spawn efficiently when the amount of spawn is limited in the Great Barrier Reef, conservations use _____ algorithms to distinguish healthy coral reef systems from unhealthy areas.

- a) computer vision
- b) deep learning
- c) expert system
- d) machine learning

Answer: A

Difficulty: Easy

Section Reference 1: IT's About Business 2.3

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB Technology

88) The cost of drones and the speed of processing drone data that are monitoring the Great Barrier Reef are excellent examples of _____ in action.

- a) Lee's IoT
- b) Moore's Law
- c) Porter's Five Forces
- d) Simon's IDC

Answer: B

Difficulty: Medium

Section Reference 1: IT's About Business 2.3

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Synthesis

Standard: AACSB Technology

90) The _____ were caught stealing signs using technology.

- a) Boston Red Sox
- b) Houston Astros
- c) Milwaukee Brewers
- d) New York Mets

Answer: B

Difficulty: Easy

Section Reference 1: IT's About Business 2.4

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Learning Objective 2: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

91) The Astros deployed a(n) _____ to steal signs from opposing catchers to pitchers, logged the stolen signs into a spreadsheet, and then used _____ to determine an opponent's sign sequencing.

- a) app; an algorithm
- b) app; computer vision
- c) drone; an algorithm
- d) drone; computer vision

Answer: a

Difficulty: Medium

Section Reference 1: IT's About Business 2.4

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Learning Objective 2: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

92) Sign stealing in baseball _____; the _____ were caught sign stealing in 2019.

- a) has long been an accepted tradition in baseball; Boston Red Sox
- b) has long been an accepted tradition in baseball; Houston Astros
- c) is a recent addition to baseball given the new technological advances that make it so easy; Boston Red Sox
- d) is a recent addition to baseball given the new technological advances that make it so easy; Houston Astros

Answer: B

Difficulty: Easy

Section Reference 1: IT's About Business 2.4

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

93) NFL stadiums must provide very fast ____ connections.

- a) BYOD
- b) Ethernet
- c) RFID
- d) Wi-Fi

Answer: D

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

94) NFL stadiums typically have ____.

- a) 100 Wi-Fi access points
- b) 50 Bluetooth beacons
- c) fiber-optic backbone networks
- d) RFID-enabled seats

Answer: C

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

95) The average bandwidth in NFL stadiums is measured in ____.

- a) megabits
- b) gigabits
- c) terabits
- d) exabits

Answer: C

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Comprehension

Standard: AACSB Technology

96) The NFL is planning to transition to Wi-Fi ____ by the 2022 season.

- a) 4
- b) 5
- c) 6
- d) 7

Answer: C

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

97) The Dallas Cowboys used ____ reality in their "Pose with the Pros" app.

- a) augmented
- b) mixed
- c) ubiquitous
- d) virtual

Answer: A

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

98) A _____ is a statement that identifies a business's approach to compete, its goals, and the plans and policies that will be required to carry out those goals.

- a) competitive advantage
- b) competitive strategy
- c) information advantage

d) information strategy

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

99) Any information system that helps an organization achieve a _____ qualifies as a strategic information system.

- a) competitive advantage
- b) competitive strategy
- c) information advantage
- d) information strategy

Answer: a

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

100) The best-known framework for analyzing competitiveness is _____'s competitive forces model.

- a) Mintzberg
- b) Moore
- c) Porter
- d) Simon

Answer: c

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

101) Porter's competitive forces model identifies _____ major forces that can endanger or enhance a company's position in a given industry.

- a) 3
- b) 4
- c) 5
- d) 6

Answer: c

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

102) The threat of new competitors will enter your market is _____ when entry is easy and _____ when there are significant barriers to entry.

- a) high; high
- b) high; low
- c) low; high
- d) low; low

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

103) The threat of new competitors will enter your market is high when entry is _____ and low when there are _____ barriers to entry.

- a) easy; few
- b) easy; significant
- c) hard; few
- d) hard; significant

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

104) Supplier power is _____ when buyers have few choices from whom to buy and _____ when buyers have many choices.

- a) high; high
- b) high; low
- c) low; high
- d) low; low

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

105) Supplier power is high when buyers have _____ choices from whom to buy and low when buyers have _____ choices.

- a) few; few
- b) few; many
- c) many; few
- d) many; many

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

106) Buyer power is _____ when buyers have many choices from whom to buy and _____ when buyers have few choices.

- a) high; high
- b) high; low
- c) low; high
- d) low; low

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

107) Buyer power is high when buyers have _____ choices from whom to buy and low when buyers have _____ choices.

- a) few; few
- b) few; many
- c) many; few
- d) many; many

Answer: c

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

108) If there are many alternatives to an organization's products or services, then the threat of substitutes is _____; if there are few alternatives, then the threat is _____.

- a) high; high
- b) high; low
- c) low; high
- d) low; low

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

109) If there are _____ alternatives to an organization's products or services, then the threat of substitutes is high; if there are _____ alternatives, then the threat is low.

- a) few; few
- b) few; many
- c) many; few
- d) many; many

Answer: c

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

110) The threat from rivalry is _____ when there is intense competition among many firms in an industry and _____ when competition is not as intense.

- a) high; high
- b) high; low
- c) low; high
- d) low; low

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

111) You have to offer online banking if you want to operate a bank. This is a(n) _____.

- a) buyer power
- b) entry barrier
- c) substitute product
- d) supplier power

Answer: b

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Application

Standard 1 : AACSB || Technology

112) You have to offer free Wi-Fi to customers if you operate a restaurant. This is a(n) _____.

- a) buyer power
- b) entry barrier
- c) substitute product
- d) supplier power

Answer: b

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Application

Standard 1 : AACSB || Technology

113) Which of the following increases supplier power?

- a) Globalization
- b) Integrated supply chains
- c) Intermediation
- d) Internet searching

Answer: b

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Application, Synthesis
Standard 1 : AACSB || Technology

114) Which of the following reduces buyer power?

- a) Globalization
- b) Loyalty programs
- c) Intermediation
- d) Internet searching

Answer: b

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Application, Synthesis

Standard 1 : AACSB || Technology

115) Threat of substitute products or services refers to companies _____ the industry; rivalry refers to companies _____ the industry.

- a) inside; inside
- b) inside; outside
- c) outside; inside
- d) outside; outside

Answer: c

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Evaluation

Standard 1 : AACSB || Technology

116) _____ industries experience the greatest threat from substitutes.

- a) Information-based
- b) Manufacturing
- c) Product-based
- d) Retail

Answer: a

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Application

Standard 1 : AACSB || Technology

117) _____ are product or service features that customers have learned to expect from organizations in a certain industry.

- a) Entry barriers
- b) Loyalty programs
- c) Substitute products
- d) Switching costs

Answer: a

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

118) _____ are the costs, in money and time, imposed by a decision to buy elsewhere.

- a) Entry barriers
- b) Loyalty programs
- c) Substitute products
- d) Switching costs

Answer: d

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

119) You live in a small town with only one large retailer. This means there is low _____.

- a) buyer power
- b) supplier power
- c) threat of new entrants
- d) threat of substitutes

Answer: a

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Application

Standard 1 : AACSB || Technology

120) Your business manufactures motors. Based on prices and shipping, you only have one business as an option to buy bearings. This means there is high _____.

- a) buyer power
- b) supplier power
- c) threat of new entrants
- d) threat of substitutes

Answer: b

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Application

Standard 1 : AACSB || Technology

121) The music and newspaper industries were hurt primarily by _____.

- a) buyer power
- b) supplier power
- c) threat of new entrants
- d) threat of substitutes

Answer: d

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Synthesis, Evaluation

Standard 1 : AACSB || Technology

122) Organization's use Porter's competitive forces model to design _____ strategies; they use the value chain model to identify _____ activities to make the greatest impact.

- a) general; general
- b) general; specific
- c) specific; general
- d) specific; specific

Answer: b

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

123) A _____ is a sequence of activities through which the organization's inputs are transformed into more valuable outputs.

- a) business process
- b) business value
- c) value chain
- d) value process

Answer: c

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

124) Primary activities _____ add value directly to the firm's products or services; support activities _____ add value directly to the firm's products or services.

- a) do; do

- b) do; do not
- c) do not; do
- d) do not; do not

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

125) _____ is an example of a support activity for most firms.

- a) Inbound logistics
- b) Marketing and sales
- c) Operations
- d) Product and technology development

Answer: d

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

126) _____ is an example of a primary activity for most firms.

- a) Human resource management
- b) Operations
- c) Procurement
- d) Product and technology development

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

127) Which of the following has the strategy “I can sell at a lower price than you can”?

- a) Cost leader
- b) Customer oriented
- c) Differentiation
- d) Innovation
- e) Operational effectiveness

Answer: a

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter’s five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

128) Amazon’s strategy is _____.

- a) customer orientation
- b) differentiation
- c) innovation
- d) operational efficiency

Answer: a

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter’s five competitive forces.

Bloomcode: Analysis, Application, Evaluation

Standard 1 : AACSB || Technology

129) Which of the following has the strategy “I am better because I am different”?

- a) Cost leader
- b) Customer oriented
- c) Differentiation
- d) Innovation
- e) Operational effectiveness

Answer: c

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

130) Southwest Airline's strategy is _____.

- a) cost leader
- b) differentiation
- c) innovation
- d) operational effectiveness

Answer: b

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Analysis, Application, Evaluation

Standard 1 : AACSB || Technology

131) Which of the following has the strategy "I'm doing something new and you can't catch up"?

- a) Cost leader
- b) Customer oriented
- c) Differentiation
- d) Innovation
- e) Operational effectiveness

Answer: d

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

132) Citibank's original strategy for ATMs was _____.

- a) cost leader
- b) differentiation
- c) innovation
- d) operational effectiveness

Answer: c

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Analysis, Application, Evaluation

Standard 1 : AACSB || Technology

133) Car and technology companies are currently competing over who can offer the first self-driving car. This is an example of a(n) _____ strategy.

- a) cost leader
- b) customer oriented
- c) differentiation
- d) innovation
- e) operational effectiveness

Answer: d

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

134) Which of the following has the strategy "I can do the same thing more efficiently than you can"?

- a) Cost leader
- b) Customer oriented
- c) Differentiation
- d) Innovation
- e) Operational effectiveness

Answer: e

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

135) You decide to integrate your supply chain to cut down production time. This is an example of a(n) _____ strategy.

- a) cost leader
- b) customer oriented
- c) differentiation
- d) innovation
- e) operational effectiveness

Answer: e

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

136) Which of the following has the strategy "I treat my customers better than you do"?

- a) Cost leader
- b) Customer oriented
- c) Differentiation
- d) Innovation
- e) Operational effectiveness

Answer: b

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

137) Which of the following is NOT an example of excellent alignment?

- a) Organizations view IT as an engine of innovation that continually transforms the business, often creating new revenue streams.
- b) Organizations view their internal and external customers and their customer service function as supremely important.
- c) Organizations rotate business and IT professionals across departments and job functions.
- d) Organizations allow IT employees to develop overarching goals for the business.
- e) Organizations ensure that IT employees understand how the company makes or loses money.
- f) Organizations create a vibrant and inclusive company culture.

Answer: d

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1: AACSB || Technology

138) Business travelers use _____ the most.

- a) rental cars
- b) ride hailing
- c) taxis
- d) their own cars

Answer: B

Difficulty: Easy

Section Reference 1: Closing Case

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB || Technology

139) _____ was the first rental car company to introduce split payment functionality in its _____ app.

- a) Avis; mobile
- b) Avis; online
- c) Hertz; mobile
- d) Hertz; online

Answer: A

Difficulty: Easy

Section Reference 1: Closing Case

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB || Technology

140) Car rental companies use geofencing to _____.

- a) find impounded vehicles
- b) find the best locations for rental cars
- c) track renters
- d) track stolen vehicles

Answer: A

Difficulty: Easy

Section Reference 1: Closing Case

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB || Technology

141) Car sharing accounts for _____ percent of the revenues of car rental companies; _____ is a car-sharing brand.

- a) 1; Waymo
- b) 1; Zipcar
- c) 10; Waymo
- d) 10; Zipcar

Answer: B

Difficulty: Easy

Section Reference 1: Closing Case

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB || Technology

142) In May 2020, _____ files for bankruptcy, a victim of the coronavirus pandemic.

- a) Avis
- b) Enterprise
- c) Hertz
- d) Zipcar

Answer: C

Difficulty: Easy

Section Reference 1: Closing Case

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB || Technology

Question Type: True/False

143) The homework gap exists when there is a digital divide.

Answer: True

Difficulty: Medium

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Comprehension

Standard: AACSB || Technology

144) The digital divide in the United States refers to the problem of Internet access, speed, and connection quality.

Answer: True

Difficulty: Easy

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB || Technology

145) The FCC has an accurate report of the number of Americans with access to consistent broadband Internet access.

Answer: False

Difficulty: Easy

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB || Technology

146) Americans who live in urban areas are more likely than Americans who live in rural areas to lack reliable broadband Internet access.

Answer: False

Difficulty: Easy

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB || Technology

147) Americans who live in rural areas are more likely than Americans who live in urban areas to lack reliable broadband Internet access.

Answer: True

Difficulty: Easy

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB || Technology

148) The telework option is greater for Asian and Caucasian employees than it is for Black and Hispanic employees.

Answer: True

Difficulty: Easy

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB || Technology

149) The telework option for Black employees is almost twice as high as it is for Caucasian employees.

Answer: False

Difficulty: Easy

Section Reference 1: Opening Case

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB || Technology

150) Any information system can be strategic.

Answer: True

Difficulty: Easy

Section Reference 1: Introduction

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

151) Information systems cannot provide a competitive advantage since everyone can buy them.

Answer: False

Difficulty: Hard

Section Reference 1: Introduction

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Analysis

Standard 1 : AACSB || Technology

152) Being an informed user combined with an entrepreneurial spirit can provide a competitive advantage.

Answer: True

Difficulty: Hard

Section Reference 1: Introduction

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

153) Customers of a business process can be either internal or external to the organization.

Answer: True

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

154) A retailer is an example of an internal customer to a manufacturer.

Answer: False

Difficulty: Hard

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

155) The two fundamental metrics that organizations employ in assessing their processes are efficiency and effectiveness.

Answer: True

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

156) Efficiency focuses on doing things well in the process.

Answer: True

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

157) Efficiency focuses on doing things right.

Answer: True

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

158) Efficiency focuses on checking to ensure the system provided the correct output.

Answer: True

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

159) Effectiveness focuses on doing the things that matter.

Answer: True

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

160) Effectiveness focuses on doing the right things.

Answer: True

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

161) Effectiveness focuses on making sure the system is doing what it should be doing.

Answer: True

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

162) Efficiency focuses on high quality products.

Answer: False

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Application

Standard 1 : AACSB || Technology

163) Effectiveness focuses on progressing from one activity to another without delay or without wasting money or resources.

Answer: False

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Application

Standard 1 : AACSB || Technology

164) No single functional area is responsible for cross-functional business processes.

Answer: True

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

165) An organization's business processes can be a competitive advantage or disadvantage.

Answer: True

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

166) RFID tags are used for executing processes.

Answer: False

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

167) RFID tags are used for capturing and storing process data.

Answer: True

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

168) Information can be created at either the instance level (for a specific task or activity) or at the process level (for the process as a whole).

Answer: True

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

169) Robotic process streamlining is a system that enables enterprises to automate business processes and tasks that historically were carried out by employees.

Answer: False

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

170) Robotic process automation is a system that enables enterprises to automate business processes and tasks that historically were carried out by employees.

Answer: True

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

171) NASCAR officials can spot trends and patterns with their new app to help make the races fair for everyone.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

172) NASCAR's prerace inspection app is a strategic information system.

Answer: True

Difficulty: Hard

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Evaluation

Standard 1 : AACSB || Technology

173) The new NASCAR inspection process developed by Hawk-Eye Innovations is far faster and more efficient than the previous process and stores more data about each car.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

174) The new NASCAR inspection process developed by Hawk-Eye Innovations has resulted in fewer penalties.

Answer: False

Difficulty: Easy

Section Reference 1: IT's About Business 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

175) BPI is the most radical form associated with changing business processes.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

176) BPM is the most radical form associated with changing business processes.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

177) BPR is the most radical form associated with changing business processes.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

178) BPI is the most incremental form associated with changing business processes.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

179) BPM is the most incremental form associated with changing business processes.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

180) BPR is the most incremental form associated with changing business processes.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

181) Many organizations consider BPR too difficult, radical, lengthy, and comprehensive.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

182) Many organizations consider BPI too difficult, radical, lengthy, and comprehensive.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

183) Many organizations consider BPM too difficult, radical, lengthy, and comprehensive.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

184) BPI delivers the same huge performance gains promised by BPR.

Answer: False

Difficulty: Medium

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

185) BPI projects tend to be performed from the bottom up while BPR projects tend to involve top-down change mandates.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

186) Organizations can adopt BPR to sustain BPI efforts over time.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

187) Organizations can adopt BPM to sustain BPR efforts over time.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

188) Knowledge workers are typically responsible for BPI initiatives.

Answer: True

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

189) Knowledge workers are typically responsible for BPR initiatives.

Answer: False

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

190) Executives are typically responsible for BPR initiatives.

Answer: True

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Synthesis

Standard 1 : AACSB || Technology

191) Six Sigma is a popular BPI initiative.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

192) Six Sigma is a popular BPR initiative.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

193) Three Sigma is a popular BPR initiative.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

194) Three Sigma is a popular BPI initiative.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

195) BPI focuses on delivering qualitative results.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

196) BPI focuses on delivering quantitative results.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

197) BAM is a historical approach for measuring and managing business processes.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

198) BAM is a real-time approach for measuring and managing business processes.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

199) BPM can create a competitive advantage by improving organizational flexibility.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

200) BPM increases customer satisfaction and ensures compliance with rules and regulations.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

201) A company's strategy should drive a BPM effort.

Answer: True

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

202) A company's operational activities should drive a BPM effort.

Answer: False

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

203) Chevron primarily used BPC to save money.

Answer: False

Difficulty: Easy

Section Reference 1: IT's About Business 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

204) Chevron originally improved supplier relationships to save money on shipping.

Answer: False

Difficulty: Easy

Section Reference 1: IT's About Business 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

205) Chevron used BPR, BPI, and BPM to achieve operational excellence.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

206) A workforce including more women, single parents, minorities, and persons with disabilities puts societal pressure on organizations.

Answer: False

Difficulty: Hard

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Evaluation

Standard 1 : AACSB || Technology

Standard 1 : AACSB || Diversity

207) The USMCA is associated with globalization and a societal pressure.

Answer: False

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge
Standard 1 : AACSB || Technology

208) The USMCA is associated with government regulations and technology pressures.

Answer: False

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

209) The USMCA is associated with globalization and a market pressure.

Answer: True

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

210) Globalization is a societal pressure.

Answer: False

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

211) Globalization is a market pressure.

Answer: True

Difficulty: Easy
Section Reference 1: 2.3
Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

212) The internet makes customers more powerful.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

213) The internet makes customers less powerful.

Answer: False

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

214) New smartphone versions are a market pressure.

Answer: False

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

215) New smartphone versions are a technology pressure.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

216) Information overload is a technology pressure.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

217) “Going green” is a societal pressure.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

218) “Going green” is a market pressure.

Answer: False

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

219) The access gap is the difference between those individuals who can use information and communications technologies and those who do not.

Answer: False

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

220) The digital divide is the difference between those individuals who can use information and communications technologies and those who do not.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

221) The Sarbanes-Oxley Act is a market pressure.

Answer: False

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

222) HIPAA is a market pressure.

Answer: False

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

223) The Sarbanes-Oxley Act is a societal pressure.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

224) HIPAA is a societal pressure.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

225) An organization's need to protect itself against cyberattacks is a societal pressure.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

226) An organization's need to protect the information in its databases is a market pressure.

Answer: False

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

227) An organization's need to protect the information in its databases is a societal pressure.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

228) Mass customization is also called make-to-order.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

229) E-commerce is a broader concept than e-business.

Answer: False

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

230) E-business is a broader concept than e-commerce.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

231) E-commerce is the process of buying and selling goods and services.

Answer: True

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

232) E-commerce is the “exchange of value” portion of e-business.

Answer: True

Difficulty: Hard

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Analysis, Synthesis

Standard 1 : AACSB || Technology

233) The RangerBot and LarvalBot are drones used in the Great Barrier Reef.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.3

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB Technology

234) To be able to utilize the drones' full potential in the Great Barrier Reef, scientists used expert systems to develop deep learning algorithms to help interpret the data.

Answer: False

Difficulty: Easy

Section Reference 1: IT's About Business 2.3

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB || Technology

235) To be able to utilize the drones' full potential in the Great Barrier Reef, scientists used machine learning to develop computer vision algorithms to help interpret the data.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.3

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB || Technology

236) The basic fiber infrastructure without service is called dark fiber.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.3

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard: AACSB || Technology

237) Stealing signs in baseball is illegal no matter the method that opponents use to get the signs.

Answer: False

Difficulty: Easy

Section Reference 1: IT's About Business 2.4

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

238) Stealing signs in baseball is legal if teams do it visually but not if they use cameras, binoculars, or electronic devices of any type.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.4

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

239) The Astros logged stolen signs into a spreadsheet and used an algorithm to determine an opponent's sign sequencing.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.4

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

240) NFL stadiums introduced the digital mobile ticket to engaged in more targeted marketing.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 1: 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

241) Beacons are small wireless transmitters that use low-energy Wi-Fi technology to send signals to nearby devices.

Answer: False

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 1: 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

242) Beacons are small wireless transmitters that use low-energy Bluetooth technology to send signals to nearby devices.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 1: 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

243) Stadiums are beginning to use biometric screening such as facial and fingerprint recognition to shorten wait times in the lines at the stadium entrances and at concession stands.

Answer: True

Difficulty: Easy

Section Reference 1: IT's About Business 2.5

Learning Objective 1: 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard: AACSB Technology

244) When you create a competitive strategy, you must plan your own moves and anticipate and counter your competitors' moves.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

245) Any information system that helps an organization either achieve a competitive advantage or reduce a competitive disadvantage qualifies as a strategic information system.

Answer: True

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

246) The core business of companies has changed because of the internet.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Analysis

Standard 1 : AACSB || Technology

247) The web has changed Porter's five fundamental forces.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge, Analysis, Comprehension

Standard 1 : AACSB || Technology

248) The web has changed the nature of competition but has not changed Porter's five fundamental forces.

Answer: True

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

249) The overall impact of the web is to increase competition which generally diminishes a firm's profitability.

Answer: True

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

250) Only public companies on the stock market are subject to Porter's Five Forces.

Answer: False

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

251) Porter's Five Forces does not apply to not-for-profit companies.

Answer: False

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

252) Porter's Five Forces does not apply to small businesses.

Answer: False

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

253) Porter's Five Forces applies to companies of all sizes in addition to public, private, and non-profit companies.

Answer: True

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

254) Threat of substitute products or services and rivalry among existing firms in the industry are the same except that substitute products refers to the internet while rivalry refers to brick-and-mortar stores.

Answer: False

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Application, Synthesis
Standard 1 : AACSB || Technology

255) If there are only two competitors, rivalry will be low.

Answer: False

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Evaluation

Standard 1 : AACSB || Technology

256) High entry barriers means the threat of new entrants is high.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

257) High entry barriers means the threat of new entrants is low.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

258) The internet makes it easier to integrate supply chains, so this decreases supplier power.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

259) The internet makes it easier to integrate supply chains, so this increases supplier power.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

260) Loyalty programs increase buyer power and decrease supplier power.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

261) Loyalty programs decrease buyer power and increase supplier power.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

262) Loyalty programs increase buyer and supplier power.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

263) Information-based industries experience the greatest threat from rivals.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

264) Information-based industries experience the greatest threat from substitutes.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

265) Switching costs increase the threat of substitutes.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

266) Switching costs decrease the threat of substitutes.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

267) The internet increases rivalry because it is harder to keep a secret.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

268) Primary activities relate to the production and distribution of the firm's products and services.

Answer: True

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

269) Primary activities do not add value directly to the firm's products or services.

Answer: False

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

270) Support activities do not add value directly to the firm's products or services.

Answer: True

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

271) Primary activities create value for which customers are willing to pay.

Answer: True

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

272) Support activities create value for which customers are willing to pay.

Answer: False

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

273) Companies can have a cost leadership and differentiation strategy simultaneously.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge
Standard 1 : AACSB || Technology

274) Companies that focus on the differentiation strategy pursue low inventory costs.

Answer: False

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

275) Companies that focus on the cost leadership strategy pursue low inventory costs.

Answer: False

Difficulty: Medium
Section Reference 1: 2.4
Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

276) Tesla's work on offering a self-driving car is an innovation strategy.

Answer: True

Difficulty: Hard
Section Reference 1: 2.4
Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Analysis, Evaluation
Standard 1 : AACSB || Technology

277) Amazon, Apple, and Starbucks have customer orientation strategies.

Answer: True

Difficulty: Medium
Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

278) Business managers and IT managers always have the same objectives.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

279) Business managers and IT managers always have different objectives.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

280) The business and IT departments are often ignorant of the other group's expertise.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

281) Business and IT employees communicate well with each other.

Answer: False

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

282) Business executives often know little about IT, and IT executives understand the technology but may not understand the real needs of the business.

Answer: True

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

283) Ride-hailing services have had the greatest impact on car rental companies.

Answer: True

Difficulty: Easy

Section Reference 1: Closing Case

Learning Objective 1: 2.2

Bloomcode: Knowledge

Standard: AACSB || Technology

284) Car rental companies have developed sophisticated algorithms to make the rental process as seamless as possible.

Answer: False

Difficulty: Easy

Section Reference 1: Closing Case

Learning Objective 1: 2.2

Bloomcode: Knowledge

Standard: AACSB || Technology

285) Car rental companies have developed sophisticated mobile apps to make the rental process as seamless as possible.

Answer: True

Difficulty: Easy

Section Reference 1: Closing Case

Learning Objective 1: 2.2

Bloomcode: Knowledge

Standard: AACSB || Technology

Question type: Text Entry

286) Any information system can be strategic, meaning it can provide a(n) _____ if it is used properly.

Answer: competitive advantage

Difficulty: Easy

Section Reference 1: Introduction

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

287) Any information system can be strategic, meaning it can provide a competitive advantage if _____.

Answer: it is used properly

Difficulty: Easy

Section Reference 1: Introduction

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

288) _____ refers to any assets that provide an organization with an edge against its competitors in some measure such as cost, quality, or speed.

Answer: Competitive Advantage

Difficulty: Easy

Section Reference 1: Introduction

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

289) A ____ is an ongoing collection of related activities that create a product or a service of value to the organization, its business partners, and its customers.

Answer: business process

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

290) _____ focuses on doing things well in the process.

Answer: Efficiency

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

291) _____ focuses on doing the things that matter.

Answer: Effectiveness

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

292) Inputs are materials, services, and information that flow through and are transformed as a result of ____.

Answer: process activities

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

293) _____ is a system that enables enterprises to automate business processes and tasks that historically were carried out by employees.

Answer: Robotic process automation or RPA

Difficulty: Easy

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

294) Business process ____ is a management technique that includes methods and tools to support the design, analysis, implementation, management, and optimization of business processes.

Answer: management

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

295) Business process ____ is a radical redesign of a business process that improves its efficiency and effectiveness often by beginning with a “clean sheet.”

Answer: reengineering

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

296) Business process ____ is a less radical, less disruptive, and more incremental approach.

Answer: improvement

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

297) Six Sigma is a popular methodology for ____ initiative.

Answer: BPI or business process improvement

Difficulty: Easy

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

298) The business _____ is the combination of social, legal, economic, physical, and political factors in which businesses conduct their operations.

Answer: environment

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

299) A workforce including more women, single parents, minorities, and persons with disabilities puts ____ pressure on organizations.

Answer: market

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Comprehension

Standard 1 : AACSB || Technology

Standard 1 : AACSB || Diversity

300) _____ is the integration and interdependence of economic, social, cultural, and ecological facets of life, made possible by rapid advances in information technology.

Answer: Globalization

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

301) The ____ refers to the wide gap between those individuals who have access to information and communications technology and those who do not.

Answer: digital divide

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

302) Make-to-_____ is a strategy of producing customized products and services.

Answer: order

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

303) When a company produces a large quantity of items but changes the products to match the needs and preferences of individual customers, it is called mass _____.

Answer: customization

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

304) ____ is the process of buying and selling goods and services.

Answer: E-commerce

Difficulty: Easy

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

305) ____ provide a competitive advantage by helping an organization implement its strategic goals and improve its performance and productivity.

Answer 1: strategic information systems

Answer 2: SISs

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

306) A(n) _____ is a product or service feature that customers have learned to expect from organizations in a certain industry.

Answer: entry barrier

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

307) _____ are the costs, in money and time, imposed by a decision to buy elsewhere.

Answer: Switching costs

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

308) ____ activities relate to the production and distribution of the firm's products and services.

Answer: Primary

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

309) ____ activities do not add value directly to the firm's products or services.

Answer: Support

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

310) Businesses strive to produce products and services at the lowest cost in the industry when they have a ____ strategy.

Answer: cost leadership

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

311) Businesses strive to offer different products, services, or product features than competitors when they have a ____ strategy.

Answer: differentiation

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

312) Businesses introduce new products and services, add new features to existing products and services, or develop new ways to produce them when they have a ____ strategy.

Answer: innovation

Difficulty: Easy

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge

Standard 1 : AACSB || Technology

313) Businesses try to improve the manner in which they execute internal business processes so that they perform these activities more effectively than rivals with a(n) ____ strategy.

Answer: operational effectiveness

Difficulty: Medium

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Knowledge
Standard 1 : AACSB || Technology

314) Businesses concentrate on making customers happy with a ____ strategy.

Answer: customer orientation

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

315) _____ is the tight integration of the IT function with the organization's strategy, mission, and goals.

Answer: Business-Information Technology Alignment or Business-IT Alignment or Information Technology-Business Alignment or IT-Business Alignment

Difficulty: Easy
Section Reference 1: 2.4
Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.
Bloomcode: Knowledge
Standard 1 : AACSB || Technology

Question Type: Essay

316) What are the three fundamental elements of a business process?

Answer:

Difficulty: Medium
Section Reference 1: 2.1
Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.
Bloomcode: Comprehension
Standard 1 : AACSB || Communication
Standard 2 : AACSB || Technology
Solution:

Inputs – materials, services, and information that flow through and are transformed as a result of process activities

Resources – people and equipment that perform process activities

Outputs – product or service created by the process

317) An information system is a critical enabler of an organization's business processes. Information systems facilitate communication and coordination among different functional areas and allow easy exchange of, and access to, data across processes. Specifically, ISs play a vital role in what three areas? What role do information systems play in each area? Suppose you purchase a product from Amazon; describe how this purchase would flow through these three areas.

Answer:

Difficulty: Medium

Section Reference 1: 2.1

Learning Objective 2.1: Discuss ways in which information systems enable cross-functional business processes and business processes for a single functional area and cross-functional processes.

Bloomcode: Application, Evaluation

Standard 1 : AACSB || Communication

Standard 2 : AACSB || Analytic

Standard 3 : AACSB || Technology

Standard 4 : AACSB || Reflective Thinking

Solution: 1) Executing the process

a. Embedded/intertwined; Process fails without system working

b. Example – if the Amazon crashes, the order wouldn't go through

2) Capturing and storing process data

a. Sometimes happens inside the system but sometimes has to be entered into it

b. Example – this is completely automated for Amazon (no person is involved); this is also part of the recommender system (automatic recommendations for cross-selling)

3) Monitoring process performance

a. Instance level (specific task) or process level (the whole process); evaluation

b. Example – this is how the order is tracked (order status) projected shipping dates, etc.

318) Describe a scenario where BPI, BPM, and BPR would be best for a company. What role do executives play in carrying out these initiatives? What role do factory workers play in carrying out these initiatives?

Answer:

Difficulty: Hard

Section Reference 1: 2.2

Learning Objective 2.2: Differentiate among business process reengineering, business process improvement, and business process management.

Bloomcode: Analysis, Synthesis

Standard 1 : AACSB || Communication

Standard 2 : AACSB || Analytic

Standard 3 : AACSB || Technology

Solution: 1) BPI = incremental improvements; BPM = maintaining BPI over time; BPR = radical improvements; BPI = getting employees to recommend ways their department could do things better; BPM = ensure business processes are continually aligned with the strategy (meeting frequently with lower management); BPR = implementing a new ERP system

2) Executives = driving BPR and providing incentives for BPM and BPI; factory workers = drive BPI and carry out BPM and BPI

319) List and describe the three main market pressures, two main technology pressures, and four main societal, political, and legal pressures. Provide one example of each.

Answer:

Difficulty: Medium

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Comprehension, Analysis, Evaluation

Standard 1 : AACSB || Communication

Standard 2 : AACSB || Technology

Standard 3 : AACSB || Reflective Thinking

Solution:

Market pressures

1. Globalization – integration and interdependence of economic, social, cultural, and ecological facets of life, made possible by rapid advances in IT; example – multinational corps, WTO supervising trade, regional agreements (e.g. USMCA, EU), rise of India and China as economic powerhouses
2. Changing nature of the workforce – diversity (examples - women, single parents, minorities, people with disabilities can work more easily)
3. Powerful customers – customer sophistication and expectations are high; easy to compare prices, find information about products and services, e-commerce, example - social media voice

Technology pressures

1. Technological innovation and obsolescence – new and improved technologies rapidly create or support substitutes for products, alternative service options, and superb quality; example – new smartphones released within a few months
2. Information overload – information available on the internet doubles approximately every year and much of it is free; example – search engines and data mining

Societal, political, and legal pressures

1. Social responsibility – corporations and individuals are willing to spend time and money to address various social problems; example – Black Lives Matter, green IT, addressing the digital divide
2. Compliance with government regulations – government passes regulations to ensure health, safety, environmental protection, and equal opportunity; examples – Sarbanes-Oxley Act, USA PATRIOT Act, Gramm-Leach-Bliley Act, HIPAA
3. Protection against terrorist attacks – increased pressure to protect themselves against physical attacks and cyberattacks; example – Office of Biometric Identity Management is a network of biometric screening systems such as fingerprint and iris and retina scanners that ties into government databases and watch lists to check the identities of millions of people entering the US
4. Ethical issues – general standards of right and wrong; information ethics – standards or right and wrong in information processing practices; example – keeping customer information private in databases

320) What is “green IT”? Why would a company want to pursue “going green” and how could they do it? Do you think it is worth it to “go green”? Why or why not?

Answer:

Difficulty: Hard

Section Reference 1: 2.3

Learning Objective 2.3: Identify effective IT responses to different kinds of business pressures.

Bloomcode: Comprehension, Analysis, Evaluation

Standard 1 : AACSB || Communication

Standard 2 : AACSB || Analytic

Standard 3 : AACSB || Technology

Standard 4 : AACSB || Reflective Thinking

Solution: 1) Being more socially responsible

2) To address environmental concerns; facilities design and management (sustainable work environments), carbon management (monitor and reduce), international and US environmental laws (follow laws in what buy and how dispose)

3) Yes – it is good for the environment so customers who care about this will buy the product; no – it costs a lot of money for no impact on the bottom line

321) List and describe Porter’s five forces. Describe whether the web has increased or decreased each force and why. Suppose you want to open a restaurant in your home town; evaluate this potential business using Porter’s Five Forces.

Answer:

Difficulty: Hard

Section Reference 1: 2.4

Learning Objective 2.4: Describe the strategies that organizations typically adopt to counter Porter's five competitive forces.

Bloomcode: Comprehension, Evaluation

Standard 1 : AACSB || Communication

Standard 2 : AACSB || Analytic

Standard 3 : AACSB || Technology

Solution: 1) Threat of entry of new competitors = the threat that new competitors will enter your market is high when entry is easy and low when there are significant barriers to entry; web = increases because easy to create a website but decreases because first mover will set the standard; restaurant: high for franchises (assuming you have the money to put down for that) but fairly easy to open a restaurant (just need a location, food, tables, etc.), but students could argue for low for some franchises (where it could cost millions of dollars).

2) Bargaining power of suppliers = supplier power is high when buyers have few choices from whom to buy and low when buyers have many choices; web = increases because integrating supply chain increases switching costs but decreases because it is easier to shop around; restaurant – low (lots of options for buying food – US Foods, Sysco, etc.; easy to hire people for serving)

3) Bargaining power of buyers = buyer power is high when buyers have many choices from whom to buy and low when buyers have few choices; web = decreases because loyalty programs increase switching costs but increases because it is easier to shop around; restaurant – high for large towns where they have lots of places to eat but lower for small towns where there aren't many restaurants

4) Threat of substitute products or services = the threat of substitutes is high when there are many alternatives to an organization's products or services; web = increases because substitutes can be created rapidly where information-based industries have highest threat but decreases if can create switching costs; restaurant – high because people don't have to eat out (they can cook their own food)

5) Rivalry among existing firms in the industry = threat from rivalry is high when there is intense competition among many firms in an industry; web = increases because of transparency; restaurant – this depends on whether or not competition is fierce or not – could have two restaurants that constantly fight to bring in customers or thousands of restaurants who aren't really competing much

322) What is business-IT alignment and why would an organization want to pursue it? What makes alignment so difficult? Thinking about your college or university, does the IT department have a good reputation? Do you think there is a strong alignment between IT and the professors?

Answer:

Difficulty: Medium

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Solution: Tight integration of the IT function with the organization's strategy, mission, and goals; why — innovation, customer service, business and IT know each other well, reach overarching goals that are clear to everyone, everyone understands how the company makes money, a healthy company culture; difficult = different objectives, ignorant of each other's expertise, lack of communication; evaluation = most IT departments don't have a good reputation and don't have strong alignment