

Chapter 01

Management Information Systems: Business Driven MIS

True / False Questions

1. Companies today are successful when they combine the power of the information age with traditional business methods.

True False

2. Competitive intelligence is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making.

True False

3. Business intelligence is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making.

True False

4. The information age is the present time, during which infinite quantities of facts are widely available to anyone who can use a computer.

True False

5. Technology provides countless business opportunities, but can also lead to pitfalls and traps for a business.

True False

6. Top managers use social intelligence to define the future of the business, analyzing markets, industries and economies to determine the strategic direction the company must follow to remain unprofitable.

True False

7. A variable is a business intelligence characteristic that stands for a value that cannot change over time.

True False

8. A fact is the confirmation or validation of an event or object. In the past, people primarily learned facts from books.

True False

9. Zappos is not a technology company; its primary business focus is to sell books.
- True False
10. Order date, amount sold, and customer number are all forms of data.
- True False
11. Choosing not to fire a sales representative who is underperforming knowing that person is experiencing family problems is a form of knowledge.
- True False
12. Information is data converted into a meaningful and useful context. The truth about information is that its value is only as good as the people who use it. People using the same information can make different decisions depending on how they interpret or analyze the information.
- True False
13. The Internet of Things (IoT) is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.
- True False
14. Machine to machine (M2M) refers to devices that connect directly to other devices.
- True False
15. The Internet of Things (IoT) refers to devices that connect directly to other devices.
- True False
16. Predictive analytics extracts information from data and uses it to predict future trends and identify behavioral patterns.
- True False
17. Predictive analytics is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.
- True False
18. Top managers use predictive analytics to define the future of the business, analyzing markets, industries, and economies to determine the strategic direction the company must follow to remain profitable. Tony will set the strategic direction for his firm, which might include introducing new flavors of potato chips or sports drinks as new product lines or schools and hospitals as new market segments.
- True False
19. Machine to machine (M2M) extracts information from data and uses it to predict future trends and identify behavioral patterns.
- True False

20. Knowledge workers are individuals valued for their ability to mitigate risk and implement critical human resource rules and regulations.

True False

21. Using only data and information to make decisions and solve problems is the key to finding success in business. These are also the only core drivers of the information age and the building blocks of business systems.

True False

22. Big data is a collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools.

True False

23. Big data is a view of data at a particular moment in time.

True False

24. A snapshot is a view of data at a particular moment in time.

True False

25. A static report can include updating daily stock market prices or the calculation of available inventory.

True False

26. A dynamic report can include updating daily stock market prices or the calculation of available inventory.

True False

27. Structured data extracts information from data and uses it to predict future trends and identify behavioral patterns.

True False

28. Unstructured data extracts information from data and uses it to predict future trends and identify behavioral patterns.

True False

29. Structured data is data that has a defined length, type, and format and includes numbers, dates, or strings such as customer address.

True False

30. Unstructured data is data that is not defined and does not follow a specified format and is typically free-form text such as emails, Twitter tweets, and text messages.

True False

31. Unstructured data is data that has a defined length, type, and format and includes numbers, dates, or strings such as customer address.
- True False
32. Structured data is data that is not defined and does not follow a specified format and is typically free-form text such as emails, Twitter tweets, and text messages.
- True False
33. Unstructured data extracts information from data and uses it to predict future trends and identify behavioral patterns.
- True False
34. Companies update business strategies continuously as internal and external environments change.
- True False
35. The Finance department performs the function of selling goods or services.
- True False
36. The Marketing department supports sales by planning, pricing, and promoting goods or services.
- True False
37. The Operations management department manages the process of converting or transforming resources into goods or services.
- True False
38. The Accounting and Finance departments primarily use monetary data.
- True False
39. The Sales and Marketing departments primarily use monetary data.
- True False
40. For an organization to succeed, every department or functional area must work independently to be most effective.
- True False
41. Successful companies today operate cross-functionally, integrating the operations of all departments.
- True False
42. MIS is a tool that is most valuable when it leverages the talents of people who know how to use and manage it effectively.
- True False

43. The chief technology officer is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks from hackers and viruses.
- True False
44. The chief security officer is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks from hackers and viruses.
- True False
45. The chief data officer is responsible for ensuring the speed, accuracy, availability, and reliability for MIS.
- True False
46. The chief privacy officer is responsible for ensuring the ethical and legal use of information within a company.
- True False
47. The business decisions made by the Marketing department include promotional data, sales data, and advertising data.
- True False
48. The business decisions made by the Human Resources department include employee data, promotion data, and vacation data.
- True False
49. The business decisions made by the Finance department include investment data, monetary data, and reporting data.
- True False
50. The business decisions made by the Accounting department include transactional data, purchasing data, payroll data, and tax data.
- True False
51. The business decisions made by the Sales department include potential customer data, sales report data, commission data, and customer support data.
- True False
52. The business decisions made by the Operations management department include manufacturing data, distribution data, and production data.
- True False
53. The business decisions made by the Finance department include promotion data, sales data, and advertising data.
- True False

54. The business decisions made by the Accounting department include employee data, promotion data, and vacation data.
- True False
55. The business decisions made by the Human Resources department include investment data, monetary data, and reporting data.
- True False
56. The business decisions made by the Marketing department include transactional data, purchasing data, payroll data and tax data.
- True False
57. The business decisions made by the Human Resources department include potential customer data, sales report data, commission data, and customer support data.
- True False
58. The business decisions made by the Accounting department include manufacturing data, distribution data, and production data.
- True False
59. The chief data officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.
- True False
60. The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.
- True False
61. Most organizations maintain positions such as chief executive officer (CEO), chief financial officer (CFO), and chief operations officer (COO) at the strategic level.
- True False
62. The chief knowledge officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.
- True False
63. The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.
- True False
64. The chief data officer (CDO) is responsible for determining the types of information the enterprise will capture, retain, analyze, and share.
- True False

65. The chief data office (CDO) is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organization's information technology.
- True False
66. The chief technology officer (CTO) is responsible for ensuring the security of MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses.
- True False
67. The chief privacy officer (CPO) is responsible for ensuring the ethical and legal use of information within an organization.
- True False
68. The chief intellectual property officer (CIPO) is responsible for collecting, maintaining, and distributing the organization's knowledge.
- True False
69. The chief security officer (CSO) is responsible for ensuring the security of MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses.
- True False
70. According to Fast Company magazine, a few executive levels you might see created over the next decade include chief intellectual property officer, chief automation officer, and chief user experience officer.
- True False
71. The difference between existing MIS workplace knowledge and the knowledge required to fulfill the business goals and strategies is called an MIS skill set.
- True False
72. Most CTOs do not possess a well-rounded knowledge of all aspects of MIS, such as hardware, software, and telecommunications.
- True False
73. Many CPOs are lawyers by training, enabling them to understand the often complex legal issues surrounding the use of information.
- True False
74. Common approaches to closing an MIS skills gap include social recruiting, off-site training, mentoring services, and competitive salaries.
- True False
75. MIS skills gap is the difference between existing MIS workplace knowledge and the knowledge required to fulfill the business goals and strategies.
- True False

76. Closing the MIS skills gap by aligning the current workforce with potential future business needs is a simple proposition.

True False

77. In many instances, an MIS job will remain unfilled for an extended period of time when an employer needs to hire someone who has a very specific set of skills. In recruiting lingo, such candidates are referred to as "purple turtles."

True False

78. Goods are material items or products that customer's will buy to satisfy a want or need.

True False

79. Waiting tables, teaching, and cutting hair are all examples of services that people pay for to fulfill their needs.

True False

80. An overview of systems thinking includes input, process, output, and finances.

True False

81. A stakeholder is a person or group that has an interest or concern in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change.

True False

82. It is not uncommon to find stakeholders' business strategies have conflicting interests such as investors looking to increase profits by eliminating employee jobs.

True False

83. Cars, groceries, and clothing are all examples of goods.

True False

84. Production is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services.

True False

85. Productivity is the rate at which goods and services are produced based upon total output given total inputs.

True False

86. Lettuce, tomatoes, patty, bun, and ketchup are included in the output of making a hamburger.

True False

87. Cooking a patty and putting the ingredients together are included in the process of making a hamburger.
- True False
88. Bread, cheese, and butter are included in the process of making a grilled cheese sandwich.
- True False
89. A grilled cheese sandwich is considered the final output of a making-a-sandwich process.
- True False
90. If a business could produce the same hamburger with less expensive inputs it would probably see a decrease in profits.
- True False
91. If a business could produce more hamburgers with the same inputs it would see a rise in productivity and possibly an increase in profits.
- True False
92. A leadership plan that achieves a specific set of goals or objectives is a business strategy.
- True False
93. When a company is the first to market with a competitive advantage, it gains a particular benefit known as competitive intelligence.
- True False
94. To combat business challenge, leaders communicate and execute business strategies from the Greek words *stratus* for army and *ago* for leading.
- True False
95. Businesses rarely need to update business strategies as the business environment remains relatively stable.
- True False
96. Attracting new customers, decreasing costs, and entering new markets are all examples of successful business strategies.
- True False
97. Decreasing customer loyalty, increasing costs, and decreasing sales are all examples of business strategies.
- True False

98. A first-mover advantage is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed.

True False

99. FedEx created a first-mover advantage by developing its customer self-service software, which allows people to request parcel pickups, print mailing slips, and track parcels online.

True False

100 A SWOT analysis will evaluate potential internal strengths, internal weaknesses, and external opportunities.

True False

101 A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

True False

102 A SWOT analysis evaluates an organization's strengths, weaknesses, objectives, and threats.

True False

103 A SWOT analysis evaluates an organization's strengths, worries, opportunities, and technologies to identify significant influences that work for or against business strategies.

True False

104 In a SWOT analysis, strengths and weaknesses originate inside an organization, or internally. Opportunities and threats originate outside an organization, or externally and cannot always be anticipated or controlled.

True False

105 In a SWOT analysis, potential internal strengths are helpful when they identify all key strengths associated with the competitive advantage including cost advantages, new and/or innovative services, special expertise and/or experience, proven market leader, improved marketing campaigns, and so on.

True False

106 In a SWOT analysis, potential internal weaknesses are harmful when they identify all key areas that require improvement. Weaknesses focus on the absence of certain strengths, including absence of an Internet marketing plan, damaged reputation, problem areas for service, outdated technology, employee issues, and so on.

True False

107 In a SWOT analysis, potential external opportunities are helpful when they identify all significant trends along with how the organization can benefit from each, including new markets, additional customer groups, legal changes, innovative technologies, population changes, competitor issues, and so on.

True False

108 In a SWOT analysis, potential external threats are harmful when they identify all threats or risks detrimental to your organization, including new market entrants, substitute products, employee turnover, differentiating products, shrinking markets, adverse changes in regulations, economic shifts, and so on.

True False

109 Competitive advantages provide the same product or service either at a lower price or with additional value that can fetch premium prices.

True False

110 Mark Peterson identified the Porter's Five Forces Model, which analyzes the competitive forces within a business environment.

True False

111 Porter's Five Forces Model outlines the process for a sales strategy.

True False

112 With the Five Forces Model, companies should watch the forces in the market. If the forces are strong competition generally increases and if the forces are weak competition typically decreases.

True False

113 There are many challenges to changing doctors, including transferring medical records and losing the doctor-patient relationship along with the doctor's knowledge of the patient's history. Changing doctors provides a great example of switching costs.

True False

114 Supplier power is one of Porter's Five Forces and it measures the suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).

True False

115 Polaroid had a unique competitive advantage for many years until it forgot to observe competitive intelligence. The firm went bankrupt when people began taking digital pictures. Polaroid provides a great example of Porter's supplier power.

True False

116 Product differentiation occurs when a company develops unique differences in its products or services with the intent to influence demand.

True False

117 Buyer power is the ability of buyers to affect the price they must pay for an item.

True False

118 Rivalry among existing competitors refers to the ability of buyers to affect the price they must pay for an item.

True False

119 The threat of substitute products or services refers to the power of customers to purchase alternatives.

True False

120 The threat of substitute products or services refers to the power of competitors to enter a new market.

True False

121 Tiffany & Company competes in the marketplace by offering high cost custom jewelry. Tiffany & Company is following a broad market and cost leadership strategy.

True False

122 Porter has identified three generic business strategies including focused, broad cost leadership, and switching strategy.

True False

123 According to Porter's Three Generic Strategies, Walmart is following a business strategy that focuses on "broad market and low cost."

True False

124 According to Porter, it is recommended to adopt only one of the Three Generic Strategies.

True False

125 Buyer power is included as one of Porter's Three Generic Strategies.

True False

126 Value chain analysis views a firm as a series of business processes that each adds value to the product or service.

True False

127 A standardized set of activities that accomplish a specific task is called a supply chain component.

True False

128 The value chain will group a company's activities into two categories: primary value activities and support value activities.

True False

129 A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order.

True False

130 A primary value activity is a standardized set of activities that accomplish a specific task, such as processing a customer's order.

True False

131 Inbound logistics and operations are part of the primary value activities.

True False

132 Inbound logistics and operations are part of the support value activities.

True False

133 Firm infrastructure and human resource management are part of the primary value activities.

True False

134 Firm infrastructure and human resource management are part of the support value activities.

True False

Multiple Choice Questions

135 Which of the following is not considered a core driver of the information age?

- A. Information
- B. Business intelligence
- C. Competitive intelligence
- D. Data

136 Which of the following is not considered a core driver of the information age?

- A. Information
- B. Business intelligence
- C. Knowledge
- D. Variables

137 Which of the following is considered a core driver of the information age?

.

- A. Fact
- B. Goods
- C. Competitive intelligence
- D. Data

138 Which of the following is considered a core driver of the information age?

.

- A. Information
- B. Business intelligence
- C. Knowledge
- D. All of these choices

139 Why do students need to study information technology?

.

- A. Information technology is everywhere in business
- B. Information technology is rarely discussed in business
- C. Information technology is rarely used in organizations
- D. Information technology is found in only a few businesses

140 Why do students need to study information technology?

.

- A. Information technology is everywhere in business
- B. Information technology is frequently discussed in business
- C. Information technology is frequently used in organizations
- D. All of these choices

141 What is the confirmation or validation of an event or object?

.

- A. Fact
- B. Data
- C. Information technology
- D. Business Intelligence

142 The age we live in has infinite quantities of facts that are widely available to anyone who can use a computer. What age is this statement referring to?

.

- A. Data age
- B. Information age
- C. Business intelligence age
- D. Internet of Things

143 Which of the following is not a technology company but used technology to revamp the business process of selling books?

- A. Netflix
- B. Dell
- C. Zappos
- D. Amazon

144 Which of the following is not a technology company but used technology to revamp the business process of renting videos?

- A. Netflix
- B. Dell
- C. Zappos
- D. Amazon

145 Which of the following is not a technology company but used technology to revamp the business process of selling shoes?

- A. Netflix
- B. Dell
- C. Zappos
- D. Amazon

146 What is data?

- A. Raw facts that describe the characteristics of an event or object
- B. Data converted into a meaningful and useful context
- C. Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making
- D. Skills, experience, and expertise, coupled with information and intelligence, that creates a person's intellectual resources

147 What is information?

- A. Raw facts that describe the characteristics of an event or object
- B. Data converted into a meaningful and useful context
- C. Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making
- D. Skills, experience, and expertise, coupled with information and intelligence that creates a person's intellectual resources

148 What is business intelligence?

.

- A. Raw facts that describe the characteristics of an event or object
- B. Data converted into a meaningful and useful context
- C. Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making
- D. Skills, experience, and expertise, coupled with information and intelligence, which creates a person's intellectual resources

149 What is knowledge?

.

- A. Raw facts that describe the characteristics of an event or object
- B. Data converted into a meaningful and useful context
- C. Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making
- D. Skills, experience, and expertise, coupled with information and intelligence that creates a person's intellectual resources

150 Which of the following is considered information?

.

- A. Quantity sold
- B. Date sold
- C. Best-selling item by month
- D. Product sold

151 Which of the following is considered data?

.

- A. Quantity sold
- B. Best customer by month
- C. Best-selling item by month
- D. Worst-selling item by month

152 Cheryl Steffan is the Operations Manager for Nature's Bread Company, which specializes in providing natural products for health conscious individuals. Cheryl is responsible for compiling, analyzing, and evaluating daily sales numbers to determine the company's profitability and forecast production for the next day. Which of the following is an example of a piece of data Cheryl would be using to successfully perform her job?

.

- A. Craig Newmark is customer number 15467.
- B. Compare the costs of supplies including energy over the last five years to determine the best-selling product by month.
- C. Best-selling product by day.
- D. Best-selling product changes when Tony, the best baker, is working.

153 Cheryl Steffan is the Operations Manager for Nature's Bread Company, which specializes in providing natural products for health conscious individuals. Cheryl is responsible for compiling, analyzing, and evaluating daily sales numbers to determine the company's profitability and forecast production for the next day. Which of the following is an example of the type of information Cheryl would be using to successfully perform her job?

- A. Craig Newmark is customer number 15467.
- B. Flour Power is supplier number 8745643.
- C. Best-selling product by day.
- D. Best-selling product changes when Tony, the best baker, is working.

154 Cheryl Steffan is the Operations Manager for Nature's Bread Company, which specializes in providing natural products for health conscious individuals. Cheryl is responsible for compiling, analyzing, and evaluating daily sales numbers to determine the company's profitability and forecast production for the next day. Which of the following is an example of knowledge that Cheryl would be using to successfully perform her job?

- A. Craig Newmark is customer number 15467.
- B. Flour Power is supplier number 8745643.
- C. Best-selling product by day.
- D. Best-selling product changes when Tony the best baker is working.

155 Data is useful for understanding individual sales, but to gain deeper insight into a business data needs to be turned into information. Which of the following offers an example of turning data into information?

- A. Who are my best customers?
- B. What is my best-selling product?
- C. What is my worst-selling product?
- D. All of these choices

156 Which of the following provides an example of information?

- A. Who is customer number 12345XX?
- B. What is product number 12345XX?
- C. What customer number is Bob Smith?
- D. What is my worst-selling product?

157 Which of the following provides an example of data?

- A. Who are my best customers?
- B. What is my best-selling product?
- C. What is my worst-selling product?
- D. Who is customer number 12345XX?

158 Business intelligence is information collected from multiple sources. Which of the following provides an example of a source that would be included in business intelligence?

- A. Suppliers
- B. Customers
- C. Competitors
- D. All of these choices

159 Which of the following represents the core drives of the information age?

- A. Data, information, business intelligence, knowledge
- B. Fact, data, intelligence, experience
- C. Fact, intelligence, business skills, knowledge
- D. Data, intelligence, business information, knowledge

160 Which of the following is not a core driver of the information age?

- A. Information
- B. Knowledge
- C. Internet of Things
- D. Data

161 Which of the following represents the definition of a variable?

- A. A data characteristic that is collected through competitive intelligence and cannot change over time
- B. A data characteristic that stands for a value that changes or varies over time
- C. A data characteristic that stands for a value that does not change or vary over time
- D. A data characteristic that is collected only through competitive intelligence and can change over time

162 Today's workers are referred to as _____ and they use BI along with personal experience to make decisions based on both information and intuition, a valuable resource for any company.

- A. knowledge workers
- B. knowledge thinkers
- C. knowledge resources
- D. knowledge players

163 What is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making?

- A. Supplier's intelligence
- B. Social intelligence
- C. Employee intelligence
- D. Business intelligence

164 Information is data converted into useful, meaningful context. What are data characteristics that change or vary over time?

- A. Facts
- B. Variables
- C. Supplies
- D. Services

165 Which of the below is the key term that defines the confirmation or validation of an event or object?

- A. Buyer power
- B. Data
- C. Fact
- D. Entry barrier

166 What is data converted into a meaningful and useful context?

- A. Competitive intelligence
- B. Information
- C. Buyer power
- D. First-mover advantage

167 What is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention?

- A. Internet of Things
- B. Predictive analytics
- C. Machine to machine
- D. Flat world

168 What refers to devices that connect directly to other devices?

- A. Internet of Things
- B. Predictive analytics
- C. Machine to machine
- D. Flat world

169 What extracts information from data and uses it to predict future trends and identify behavioral patterns?

- A. Internet of Things
- B. Predictive analytics
- C. Machine to machine
- D. Flat world

170 What is the Internet of Things?

- A. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention
- B. Extracts information from data and uses it to predict future trends and identify behavioral patterns
- C. Refers to devices that connect directly to other devices
- D. Opportunities to change the way people purchase books

171 What is machine to machine?

- A. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention
- B. Extracts information from data and uses it to predict future trends and identify behavioral patterns
- C. Refers to devices that connect directly to other devices
- D. Opportunities to change the way people purchase books

172 What is predictive analytics?

- A. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention
- B. Extracts information from data and uses it to predict future trends and identify behavioral patterns
- C. Refers to devices that connect directly to other devices
- D. Opportunities to change the way people purchase books

173 What is the science of fact-based decision making?

- A. Business intelligence
- B. Information
- C. Knowledge
- D. Analytics

174 A big part of business intelligence, _____ extracts information from data and uses it to predict future trends and identify behavioral patterns.

- A. behavioral analytics
- B. predictive analytics
- C. knowledge workers
- D. snapshot

175 What uses data about people's behaviors to understand intent and predict future actions?

- A. Behavioral analytics
- B. Predictive analytics
- C. Knowledge workers
- D. Snapshot

176 What data is created by a machine without human intervention?

- A. Human-generated
- B. Machine-generated
- C. Machine-to-machine (M2M)
- D. Unstructured data

177 What data is data that humans, in interaction with computers, generate?

- A. Human-generated
- B. Machine-generated
- C. Machine-to-machine (M2M)
- D. Static report

178 What type of structured data includes sensor data, point-of-sale data, and Web log data?

- A. Human-generated
- B. Machine-generated
- C. Machine-to-machine (M2M)
- D. Systems thinking

179 What type of structured data includes input data, clickstream data, or gaming data?

- A. Human-generated
- B. Machine-generated
- C. Machine-to-machine (M2M)
- D. Systems thinking

180 Which of the following describes structured data?

.

- A. A defined length, type, and format
- B. Includes numbers, dates, or strings such as customer address
- C. Is typically stored in a relational database or spreadsheet
- D. All of these choices

181 What refers to devices that connect directly to other devices?

.

- A. Human-generated
- B. Machine-generated
- C. Machine-to-machine (M2M)
- D. Systems thinking

182 What are the characteristics of unstructured data?

.

- A. Does not follow a specified format
- B. Free-form text
- C. Emails, twitter tweets, and text messages
- D. All of these choices

183 Which of the following does not describe unstructured data?

.

- A. Does not follow a specified format
- B. A defined length, type, and format
- C. Free-form text
- D. Emails, Twitter tweets, and text messages

184 Which of the following does not describe structured data?

.

- A. A defined length
- B. Emails, twitter tweets, and text messages are examples of structured data
- C. Is typically stored in a relational database or spreadsheet
- D. A defined format

185 What is a snapshot?

.

- A. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention
- B. A view of data at a particular moment in time
- C. Refers to devices that connect directly to other devices
- D. Opportunities to change the way people purchase books

186 What is a view of data at a particular moment in time?

.

- A. Knowledge
- B. Big data
- C. Snapshot
- D. Unstructured data

187 What is a collection of large complex data sets that cannot be analyzed using traditional database methods and tools?

.

- A. Knowledge
- B. Big data
- C. Snapshot
- D. Internet of Things

188 What is a report?

.

- A. A document containing data organized in a table, matrix, or graphical format allowing users to easily comprehend and understand information
- B. A collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools
- C. A view of data at a particular moment in time
- D. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention

189 What is big data?

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- A. A document containing data organized in a table, matrix, or graphical format allowing users to easily comprehend and understand information
- B. A collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools
- C. A view of data at a particular moment in time
- D. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention

190 What type of report is created based on data that does not change?

.

- A. Static report
- B. Dynamic report
- C. Variable report
- D. Structured report

191 What type of report changes automatically during creation?

.

- A. Static report
- B. Dynamic report
- C. Variable report
- D. Structured report

192 What type of report can include a sales report from last year or salary report from five years ago?

.

- A. Static report
- B. Dynamic report
- C. Variable report
- D. Structured report

193 What type of report can include updating daily stock market prices or the calculation of available inventory?

.

- A. Static report
- B. Dynamic report
- C. Variable report
- D. Structured report

194 How are the majority of companies today typically organized?

.

- A. By departments or functional areas
- B. By departments or financial areas
- C. By degree or financial areas
- D. By manager or knowledge areas

195 How does the text recommend that a company operate if it wants to be successful in the information age?

.

- A. Functionally independent between departments
- B. Interdependently between departments
- C. Together as one department with little or no independence
- D. Each department acting as its own individual business unit

196 Most companies are typically organized by departments or functional areas. Which of the following is not a common department found in a company?

.

- A. Accounting
- B. Payroll
- C. Marketing
- D. Human Resources

197 The Sales department needs to rely on information from operations to understand _____.

- A. Inventory
- B. Customer orders
- C. Demand forecasts
- D. All of these choices

198 Which of the following represents the department that maintains policies, plans, and procedures for the effective management of employees?

- A. Human Resources
- B. Sales
- C. Employee Resources
- D. Employee Relations

199 Greg works for Geneva Steel Corporation. Greg's duties include managing the overall processes for the company and transforming the steel resources into goods. Which department would Greg most likely work in?

- A. Accounting
- B. Operations Management
- C. Marketing
- D. CIO

200 Information technology can enable departments to more efficiently and effectively perform their core _____.

- A. Facts
- B. Feedback mechanisms
- C. Business operations
- D. Media issues

201 The department within a company that records, measures, and reports monetary transactions is called _____.

- A. Accounting
- B. Marketing
- C. Human Resources
- D. Operations Management

202 The department within a company that performs the function of selling goods or services is called _____.

- A. Marketing
- B. Sales
- C. Finance
- D. Operations Management

203 The department within a company that supports the sales by planning, pricing, and promoting goods or services is called _____.

- A. Sales
- B. Operations Management
- C. Accounting
- D. Marketing

204 Which department tracks strategic financial issues, including money, banking, credit, investments, and assets?

- A. Sales
- B. Operations Management
- C. Accounting
- D. Finance

205 Which department manages the process of converting or transforming resources into goods or services?

- A. Sales
- B. Operations Management
- C. Accounting
- D. Finance

206 Which department records, measures, and reports monetary transactions?

- A. Sales
- B. Operations Management
- C. Accounting
- D. Finance

207 Which department maintains policies, plans, and procedures for the effective management of employees?

- A. Sales
- B. Operations Management
- C. Accounting
- D. Human Resources

208 Which activities belong in the Accounting department?

- A. Records, measures, and reports monetary transactions
- B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Relies on information from operations to understand inventory, place orders, and forecast consumer demand

209 Which activities belong in the Finance department?

.

- A. Records, measures, and reports monetary transactions
- B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Relies on information from operations to understand inventory, place orders, and forecast consumer demand

210 Which activities belong in the Marketing department?

.

- A. Records, measures, and reports monetary transactions
- B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Relies on information from operations to understand inventory, place orders, and forecast consumer demand

211 Which activities belong in the Sales department?

.

- A. Records, measures, and reports monetary transactions
- B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Relies on information from operations to understand inventory, place orders, and forecast consumer demand

212 Which activities belong in the Human Resources department?

.

- A. Records, measures, and reports monetary transactions
- B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Maintains policies, plans, and procedures for the effective management of employees

213 Which activities belong in the Operations Management department?

.

- A. Records, measures, and reports monetary transactions
- B. Manages the process of converting or transforming resources into goods or services
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Maintains policies, plans, and procedures for the effective management of employees

214 Which data types are typically found in the Marketing department?

.

- A. Promotion data, sales data, advertising data
- B. Employee data, promotion data, vacation data
- C. Investment data, monetary data, reporting data
- D. Transactional data, purchasing data, payroll data, tax data

215 Which data types are typically found in the Human Resources department?

.

- A. Promotion data, sales data, advertising data
- B. Employee data, promotion data, vacation data
- C. Investment data, monetary data, reporting data
- D. Transactional data, purchasing data, payroll data, tax data

216 Which data types are typically found in the Finance department?

.

- A. Promotion data, sales data, advertising data
- B. Employee data, promotion data, vacation data
- C. Investment data, monetary data, reporting data
- D. Transactional data, purchasing data, payroll data, tax data

217 Which data types are typically found in the Accounting department?

.

- A. Promotion data, sales data, advertising data
- B. Employee data, promotion data, vacation data
- C. Investment data, monetary data, reporting data
- D. Transactional data, purchasing data, payroll data, tax data

218 Which data types are typically found in the Sales department?

.

- A. Sales data, customer data, commission data, and customer support data
- B. Employee data, promotion data, vacation data
- C. Investment data, monetary data, reporting data
- D. Transactional data, purchasing data, payroll data, tax data

219 Which data types are typically found in the Operations Management department?

.

- A. Manufacturing data, distribution data, and production data
- B. Sales data, customer data, commission data, and customer support data
- C. Employee data, promotion data, vacation data
- D. Investment data, monetary data, reporting data

220 Which of the following represents the relationship between functional areas in a business?

.

- A. Independent
- B. Autonomous
- C. Interdependent
- D. Self-sufficient

221 Which of the following represents the types of data commonly found in the accounting department?

- A. Tax data
- B. Payroll data
- C. Transactional data
- D. All of these choices

222 Which of the following represents the types of data commonly found in the Finance department?

- A. Monetary data
- B. Technology data
- C. Production data
- D. Employee data

223 Which of the following represents the types of data commonly found in the Human Resource department?

- A. Financial data
- B. Technology data
- C. Production data
- D. Employee data

224 Which of the following represents the types of data commonly found in the Sales department?

- A. Customer data
- B. Sales report data
- C. Commission data
- D. All of these choices

225 Which of the following represents the types of data commonly found in the Marketing department?

- A. Promotional data
- B. Payroll data
- C. Tax data
- D. Employee data

226 Which of the following represents the types of data commonly found in the Operations Management department?

- A. Monetary data
- B. Payroll data
- C. Production data
- D. Employee data

227 Who is responsible for collecting, maintaining, and distributing company knowledge?

.

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

228 Who is responsible for ensuring the ethical and legal use of information within a company?

.

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

229 Who is responsible for ensuring the speed, accuracy, availability, and reliability of the management information systems?

.

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

230 Who is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives?

.

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

231 Who is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses?

.

- A. Chief knowledge officer (CKO)
- B. Chief security office (CSO)
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

232 Trina Hauger works for Johnson Electric as a corporate lawyer, and part of her duties are to ensure the ethical and legal use of information within the company. Which of the following represents Trina's role at Johnson Electric?

.

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

233 The challenge that companies today sometimes have is that they are departmentalized and act independently of each other. One solution that can help a company work _____ includes management information systems.

- A. variables
- B. human resource data
- C. interdepartmentally
- D. resource information systems

234 Susan Stewart is an executive at Equity Title where she is responsible for collecting, maintaining, and distributing knowledge for the company. What is Susan's role at Equity Title?

- A. Chief knowledge officer (CKO)
- B. Chief technology officer (CTO)
- C. Chief information officer (CIO)
- D. Chief security officer (CSO)

235 What is the primary responsibility of the CTO?

- A. Overseeing all uses of MIS
- B. Ensuring the security of business systems
- C. Ensuring speed, accuracy, and reliability for MIS
- D. Collecting and distributing company information

236 Jeremy Bridges is an executive for Green Web Designs, where his primary role is to ensure the security of business systems and develop strategies to protect the company from online viruses and hackers. What is Jeremy's role within the company?

- A. Chief executive officer (CEO)
- B. Chief security officer (CSO)
- C. Chief procurement officer (CPO)
- D. Chief technology officer (CTO)

237 Which role within a company is responsible for overseeing all uses of MIS and ensuring that MIS strategic aligns with business goals and objectives?

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief information officer (CIO)
- D. Chief security officer (CSO)

238 Recently, 150 of the Fortune 500 companies added this position to their list of senior executives.

- A. Chief technology officer (CTO)
- B. Chief data officer (CDO)
- C. Chief privacy officer (CPO)
- D. Chief knowledge officer (CKO)

239 Who is responsible for ensuring the speed, accuracy, availability, and reliability of the MIS?

- A. Chief technology officer (CTO)
- B. Chief security officer (CSO)
- C. Chief privacy officer (CPO)
- D. Chief data officer (CDO)

240 Who is responsible for determining the types of information the enterprise will capture, retain, analyze, and share?

- A. Chief information officer (CIO)
- B. Chief security officer (CSO)
- C. Chief data officer (CDO)
- D. Chief knowledge officer (CKO)

241 Which of the following includes the roles and responsibilities of the CTO?

- A. Ensuring the speed, accuracy, availability, and reliability of the MIS
- B. Ensuring the ethical and legal use of information within a company
- C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
- D. Ensuring that MIS strategically aligns with business goals and objectives

242 Which of the following includes the roles and responsibilities of the CIO?

- A. Ensuring the speed, accuracy, availability, and reliability of the MIS
- B. Ensuring the ethical and legal use of information within a company
- C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
- D. Ensuring that MIS strategically aligns with business goals and objectives

243 Which of the following includes the roles and responsibilities of the CPO?

- A. Ensuring the speed, accuracy, availability, and reliability of the MIS
- B. Ensuring the ethical and legal use of information within a company
- C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
- D. Ensuring that MIS strategically aligns with business goals and objectives

244 Which of the following includes the roles and responsibilities of the CSO?

- A. Ensuring the speed, accuracy, availability, and reliability of the MIS
- B. Ensuring the ethical and legal use of information within a company
- C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
- D. Ensuring that MIS strategically aligns with business goals and objectives

245 Which of the following includes the roles and responsibilities of the CDO?

- A. Determining the types of information the enterprise will capture, retain, analyze, and share
- B. Ensuring the ethical and legal use of information within a company
- C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
- D. Ensuring that MIS strategically aligns with business goals and objectives

246 Which of the following includes the roles and responsibilities of the CKO?

- A. Determining the types of information the enterprise will capture, retain, analyze, and share
- B. Collecting, maintaining, and distributing company knowledge
- C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
- D. Ensuring that MIS strategically aligns with business goals and objectives

247 According to Fast Company magazine, which of the following executive levels might we see created over the next decade?

- A. Chief intellectual property officer
- B. Chief automation officer
- C. Chief user experience officer
- D. All of these choices

248 According to Fast Company magazine, chief intellectual property officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

- A. Manage and defend intellectual property, copy-rights and patents
- B. Determines if a person or business process can be replaced by a robot or software
- C. Create the optimal relationship between user and technology
- D. Ensure the ethical and legal use of information within an organization

249 According to Fast Company magazine, chief automation officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

- A. Manage and defend intellectual property, copy-rights and patents
- B. Determines if a person or business process can be replaced by a robot or software
- C. Create the optimal relationship between user and technology
- D. Ensure the ethical and legal use of information within an organization

250 According to Fast Company magazine, chief user experience officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

- A. Manage and defend intellectual property, copy-rights and patents
- B. Determines if a person or business process can be replaced by a robot or software
- C. Create the optimal relationship between user and technology
- D. Ensure the ethical and legal use of information within an organization

251 Jason Charney is the CIO of Zapp Industries. Which of the following does not describe his primary responsibilities?

- A. Manage and defend intellectual property, copyrights and patents
- B. Oversee all the uses of information technology
- C. Ensure the strategic alignment of MIS with business goals and objectives
- D. Have tremendous insight into the capabilities of MIS

252 Which of the following is not a broad function of a CIO?

- A. Manager
- B. Follower
- C. Communicator
- D. Leader

253 Jason Charney is the CIO of Zapp Industries. Which of the following is among his primary responsibilities?

- A. Advocate and communicate the MIS strategy by building and maintaining strong executive relationships
- B. Determine the types of information the enterprise will capture, retain, analyze, and share
- C. Ensure the efficiency of MIS systems throughout the organization
- D. Develop MIS safeguards against attacks from hackers and viruses

254 What is the difference between the CIO and CDO of an organization?

.

- A. The CIO is responsible for the data, regardless of the information system; the CDO is responsible for the information systems through which data is stored and processed.
- B. The CIO is responsible for the information systems through which data is stored and processed; the CDO is responsible for the data, regardless of the information system.
- C. The CIO is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organizations information technology; the CDO is responsible for determining the types of information the enterprise will capture, retain, analyze, and share.
- D. The CIO is responsible for determining the types of information the enterprise will capture, retain, analyze, and share; the CDO is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organizations information technology.

255 What is the difference between existing MIS workplace knowledge and the knowledge required to fulfill business goals and strategies?

.

- A. Off-site training
- B. MIS skills gap
- C. Social recruiting
- D. Information security

256 Which of the following is a common approach to closing an MIS skills gap?

.

- A. Social recruiting
- B. Off-site training
- C. Mentoring services
- D. All of these choices

257 Which of the following is not a common approach to closing an MIS skills gap?

.

- A. Social recruiting
- B. Off-site training
- C. Competitive salary
- D. Mentoring services

258 In recruiting lingo, what are perfect MIS candidates sometimes called?

.

- A. Turquoise turtles
- B. Red rabbits
- C. Purple squirrels
- D. White unicorns

259 What first-ever national appointment was made by President Barack Obama?

- A. National Chief Security Officer
- B. National Chief Privacy Officer
- C. National Chief Technology Officer
- D. All of these choices

260 Eric Eberly holds an executive position at Parker Industries. He has designed and implemented a system to collect, maintain, and share information across the many departments of Parker Industries. He's also instilled an updating protocol requiring department heads to keep the system up-to-date. Based on this description, what position does Eric hold?

- A. Chief information officer (CIO)
- B. Chief security officer (CSO)
- C. Chief data officer (CDO)
- D. Chief knowledge officer (CKO)

261 Cody Osterman holds an executive position at Trek Enterprises. His role is the newest senior executive position at the organization. He has advised the company on privacy procedures and processes, and has initiated a training program for employees about the privacy policy, customer confidentiality, and data security. Based on this description, what position does Cody hold at Trek Enterprises?

- A. Chief information officer (CIO)
- B. Chief security officer (CSO)
- C. Chief data officer (CDO)
- D. Chief privacy officer (CPO)

262 Sara McGuire holds an executive position at Henry Commerce. She is a big-picture thinker, and makes sure the technology strategy at Henry Commerce serves its business strategy. She has a well-rounded knowledge of MIS and her primary responsibilities include the efficiency of Henry Commerce's MIS systems. Based on this description, what position does Sara hold?

- A. Chief information officer (CIO)
- B. Chief technology officer (CTO)
- C. Chief data officer (CDO)
- D. Chief privacy officer (CPO)

263 Adam Nation holds an executive position at PH Corporation. He has an extensive understanding of networks and telecommunications. Adam is aware of the information-technology threats the company faces, and institutes security protocols and safeguards to secure the MIS systems at PH Corporation. Based on this description, what position does Adam hold?

- A. Chief security officer (CSO)
- B. Chief technology officer (CTO)
- C. Chief data officer (CDO)
- D. Chief privacy officer (CPO)

264 Jim Coleman holds an executive position at Keck-Howes Group. Jim has improved the quality of the data gathered by the organization, and has also created a model to decrease the cost of managing data while increasing the value of the data gathered. Based on this description, what position does Jim hold at Keck-Howes Group?

- A. Chief security officer (CSO)
- B. Chief technology officer (CTO)
- C. Chief data officer (CDO)
- D. Chief privacy officer (CPO)

265 Feedback is information that returns to its original transmitter and modifies the transmitter's actions. What would the original transmitter include?

- A. Input, transform, output
- B. Input, transform, outnumber
- C. Output, input, performer
- D. Input, process, transform

266 MIS is a business function. Which of the following does MIS perform to help aid the company in decision making and problem solving?

- A. Moves information about people
- B. Moves processes across the company to improve systems
- C. Moves information about products
- D. All of these choices

267 In terms of system thinking, what is data entered in a computer?

- A. Input
- B. Output
- C. Process
- D. Feedback

268 In terms of system thinking, what controls to ensure correct processes?

- A. Input
- B. Output
- C. Process
- D. Feedback

269 In terms of system thinking, what is the resulting information from the computer program?

- A. Input
- B. Output
- C. Process
- D. Feedback

270 In terms of system thinking, what is the computer program that processes the data?

.

- A. Input
- B. Output
- C. Process
- D. Feedback

271 In terms of system thinking, what is input?

.

- A. Data entered in a computer
- B. Controls to ensure correct processes
- C. The resulting information from the computer program
- D. The computer program that processes the data

272 In terms of system thinking, what is output?

.

- A. Data entered in a computer
- B. Controls to ensure correct processes
- C. The resulting information from the computer program
- D. The computer program that processes the data

273 In terms of system thinking, what is feedback?

.

- A. Data entered in a computer
- B. Controls to ensure correct processes
- C. The resulting information from the computer program
- D. The computer program that processes the data

274 In terms of system thinking, what is process?

.

- A. Data entered in a computer
- B. Controls to ensure correct processes
- C. The resulting information from the computer program
- D. The computer program that processes the data

275 A system is a collection of parts that link to achieve a common purpose. Systems thinking is a way of monitoring _____.

.

- A. the entire system
- B. a division within the sales role
- C. the executive team
- D. the company's competitors

276 MIS can be an important enabler of business success and innovation. Which of the below statements is accurate when referring to MIS?

- A. MIS equals business success and innovation.
- B. MIS represents business success and innovation.
- C. MIS is not a valuable tool that leverages talent.
- D. MIS is a valuable tool that can leverage the talents of people who know how to use and manage it effectively.

277 What is a way of monitoring the entire system in a company, by viewing the multiple inputs being processed to produce outputs?

- A. Feedback thinking
- B. Systems thinking
- C. Output management
- D. Operational thinking

278 Which of the following statements is true?

- A. MIS equals business success.
- B. MIS equals business innovation.
- C. MIS represents business success and innovation.
- D. MIS enables business success and innovation.

279 What is the name of a company's internal computer department?

- A. Management information systems (MIS)
- B. Information systems (IS)
- C. Information technology (IT)
- D. All of these choices

280 What are material items or products that customer's will buy to satisfy a want or need?

- A. Goods
- B. Services
- C. Production
- D. Productivity

281 What are tasks performed by people that customer's will buy to satisfy a want or need?

- A. Goods
- B. Services
- C. Production
- D. Productivity

282 What is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services?

- A. Goods
- B. Services
- C. Production
- D. Productivity

283 What is the rate at which goods and services are produced based upon total output given total inputs?

- A. Goods
- B. Services
- C. Production
- D. Productivity

284 What are goods?

- A. Material items or products that customer's will buy to satisfy a want or need
- B. Tasks performed by people that customer's will buy to satisfy a want or need
- C. The process where a business takes raw materials and processes them or converts them into a finished product for its goods or services
- D. The rate at which goods and services are produced based upon total output given total inputs

285 What are services?

- A. Material items or products that customer's will buy to satisfy a want or need
- B. Tasks performed by people that customer's will buy to satisfy a want or need
- C. The process where a business takes raw materials and processes them or converts them into a finished product for its goods or services
- D. The rate at which goods and services are produced based upon total output given total inputs

286 What is production?

- A. Material items or products that customer's will buy to satisfy a want or need
- B. Tasks performed by people that customer's will buy to satisfy a want or need
- C. The process where a business takes raw materials and processes them or converts them into a finished product for its goods or services
- D. The rate at which goods and services are produced based upon total output given total inputs

287 What is productivity?

- A. Material items or products that customer's will buy to satisfy a want or need
- B. Tasks performed by people that customer's will buy to satisfy a want or need
- C. The process where a business takes raw materials and processes them or converts them into a finished product for its goods or services
- D. The rate at which goods and services are produced based upon total output given total inputs

288 Cars, groceries, and clothing belong in which category?

.

- A. Goods
- B. Services
- C. Production
- D. Productivity

289 Teaching, waiting tables, and cutting hair belong in which category?

.

- A. Goods
- B. Services
- C. Production
- D. Productivity

290 Which of the following is considered a good?

.

- A. Cars
- B. Groceries
- C. Clothing
- D. All of these choices

291 Which of the following is considered a service?

.

- A. Teaching
- B. Waiting tables
- C. Cutting hair
- D. All of these choices

292 Which of the following is considered a good?

.

- A. Cars
- B. Teaching
- C. Waiting tables
- D. All of these choices

293 Which of the following is considered a service?

.

- A. Cars
- B. Groceries
- C. Cutting hair
- D. All of these choices

294 Which of the following is considered a good?

.

- A. Milk and eggs
- B. Managing a team
- C. Selling groceries
- D. All of these choices

295 Which of the following is considered a service?

.

- A. Selling groceries
- B. Managing a team
- C. Cutting hair
- D. All of these choices

296 The lettuce, tomatoes, patty, bun, and ketchup are included in which category of making a hamburger?

.

- A. Input
- B. Process
- C. Output
- D. All of these choices

297 Cooking a patty and putting the ingredients together are included in which category of making a hamburger?

.

- A. Input
- B. Process
- C. Output
- D. All of these choices

298 The actual hamburger is included in which category of making a hamburger?

.

- A. Input
- B. Process
- C. Output
- D. All of these choices

299 Assume you are in the business of producing and selling hamburgers. If you could produce more hamburgers with the same input what would happen to your productivity and profits assuming the price of your hamburgers remains the same?

.

- A. Increase in productivity, decrease in profits
- B. Increase in productivity, increase in profits
- C. Decrease in productivity, decrease in profits
- D. Decrease in productivity, increase in profits

300 Assume you are in the business of producing and selling T-shirts. If you could produce more T-shirts with the same input what would happen to your productivity and profits assuming the price of your T-shirts remains the same?

- A. Increase in productivity, decrease in profits
- B. Increase in productivity, increase in profits
- C. Decrease in productivity, decrease in profits
- D. Decrease in productivity, increase in profits

301 Assume you are in the business of producing and selling cars. If you could produce more cars with the same input what would happen to your productivity and profits assuming the price of your cars remains the same?

- A. Increase in productivity, decrease in profits
- B. Increase in productivity, increase in profits
- C. Decrease in productivity, decrease in profits
- D. Decrease in productivity, increase in profits

302 Which four elements are included in systems thinking?

- A. Output, process, feedback, and accounting
- B. Process, output, operations, and accounting
- C. Input, process, output, and feedback
- D. Input, output, sales, and feedback

303 MIS is a business function, like accounting or sales, which moves information about people, products, and processes across the company to facilitate decision making and problem solving. What does MIS stand for?

- A. Management information strategy
- B. Management intelligence system
- C. Management information system
- D. Management information strategist

304 Shelby Black runs a very successful hair salon in downtown Los Angeles. One of Shelby's tasks is to input positive and negative customer reviews into her computer system. What type of information is Shelby gathering?

- A. Feedback
- B. Processing
- C. Output management
- D. Sales processing

305 Which of the following provides an accurate definition of systems thinking?

- A. A way of monitoring the entire system by viewing multiple inputs being processed or transformed to produce outputs while continuously gathering feedback on each part
- B. A way of monitoring individual components including an input, the process, and an output, while continuously gathering feedback on the entire system
- C. A way of monitoring the entire system by viewing multiple inputs being processed or transformed to produce outputs while continuously gathering feedback on the entire system
- D. A way of monitoring singular parts of a system by viewing a single input that is processed or transformed to produce an entire system that is continuously monitored to gather feedback on each individual part

306 If you were thinking about a washing machine as a system which of the following represents the inputs?

- A. The dirty clothes, water, and detergent
- B. The clean clothes
- C. The wash and rinse cycle
- D. The light indicating that the washer is off balance and has stopped

307 If you were thinking about a washing machine as a system which of the following represents the process?

- A. The dirty clothes, water, and detergent
- B. The clean clothes
- C. The wash and rinse cycle
- D. The light indicating that the washer is off balance and has stopped

308 If you were thinking about a washing machine as a system which of the following represents the feedback?

- A. The dirty clothes, water, and detergent
- B. The clean clothes
- C. The wash and rinse cycle
- D. The light indicating that the washer is off balance and has stopped

309 If you were thinking about a washing machine as a system which of the following represents the outputs?

- A. The dirty clothes, water, and detergent
- B. The clean clothes
- C. The wash and rinse cycle
- D. The light indicating that the washer is off balance and has stopped

310 If you were thinking about an oven as a system which of the following represents the input?

.

- A. The uncooked food
- B. The cooked food
- C. A light indicating that the oven has reached the preheated temperature
- D. The oven running at 350 degrees for 20 minutes

311 If you were thinking about an oven as a system which of the following represents the output?

.

- A. The uncooked food
- B. The cooked food
- C. A light indicating that the oven has reached the preheated temperature
- D. The oven running at 350 degrees for 20 minutes

312 If you were thinking about an oven as a system which of the following represents the process?

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- A. The uncooked food
- B. The cooked food
- C. A light indicating that the oven has reached the preheated temperature
- D. The oven running at 350 degrees for 20 minutes

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- A. The uncooked food
- B. The cooked food
- C. A light indicating that the oven has reached the preheated temperature
- D. The oven running at 350 degrees for 20 minutes

314 If you were thinking about a home theater system which of the following represents the inputs?

.

- A. The DVD player, DVD movie, speakers, TV, and electricity
- B. Playing the movie including the audio through the speakers and the video on the TV
- C. A message stating that the disk is dirty and cannot be played
- D. Spinning the disk to play, pause, rewind, or fast forward

315 If you were thinking about a home theater system which of the following represents the outputs?

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- A. The DVD player, DVD movie, speakers, TV, and electricity
- B. Playing the movie including the audio through the speakers and the video on the TV
- C. A message stating that the disk is dirty and cannot be played
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- D. Spinning the disk to play, pause, rewind, or fast forward

318 Which of the following is not a typical way that a company would duplicate a competitive advantage?

- A. Acquiring the new technology
- B. Copying the business operations
- C. Hiring away key employees
- D. Carrying large product inventories

319 When a company is the first to market with a competitive advantage, this is called a first-mover advantage. All of the following companies were first-movers except _____.

- A. FedEx - online self-service software
- B. Apple - iPad
- C. Apple - iPod
- D. Microsoft - Bing search engine

320 A business strategy achieves a specific set of goals which include _____.

- A. Developing new products or services, attracting new competition
- B. Increasing costs, attracting new competition
- C. Attracting new customers, developing new products or services
- D. All of these choices

321 Which of the following is a tool a manager can use to analyze competitive intelligence and identify competitive advantages?

- A. The Three Generic Strategies
- B. The threat of substitute buyer power
- C. Differentiated costs
- D. Supplier loyalty

322 Identifying competitive advantages can be difficult and explains why they are typically _____.
.

- A. temporary
- B. satisfactory
- C. terminated
- D. unsuccessful

323 Updating business strategies is a continuous undertaking as internal and external environments
_____.

- A. become less competitive
- B. remain stagnant
- C. rapidly change
- D. become more consistent

324 Which of the following represents a reason why competitive advantages are typically
temporary?

- A. The competitor will hire away your key employees.
- B. The competitor quickly seeks ways to duplicate your business operations.
- C. The competitor will purchase new technology.
- D. All of these choices

325 What is a competitive advantage?
.

- A. A product that an organization's customers place a lesser value on than similar offerings from a competitor
- B. A feature of a product or service on which customers place a lesser value than they do on similar offerings from a supplier
- C. A service that an organization's customers place a lesser value on than similar offerings from a supplier
- D. A feature of a product or service on which customers place a greater value than they do on similar offerings from competitors

326 All of the following are common tools used in industry to analyze and develop competitive
advantages, except _____.

- A. Five Forces Model
- B. Three Generic Strategies
- C. competitive analysis model
- D. value chain analysis

327 The process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed is the definition of _____.

- A. feedback
- B. information
- C. competitive intelligence
- D. data

328 What is a person or group that has an interest or concern in an organization?

- A. Stakeholder
- B. Business strategy
- C. Supplier
- D. Partner

329 Which group of stakeholder's primary interests include reliable contracts, ethical materials handling, and responsible production?

- A. Partners/suppliers
- B. Shareholders/investors
- C. Community
- D. Government

330 Which group of stakeholder's primary interests include adhering to regulations/laws, increasing employment, and ethical taxation reporting?

- A. Partners/suppliers
- B. Shareholders/investors
- C. Community
- D. Government

331 Which group of stakeholder's primary interests include maximizing profits, growing market share, and high return on investment?

- A. Partners/suppliers
- B. Shareholders/investors
- C. Community
- D. Government

332 Which group of stakeholder's primary interests include exceptional customer service, high-quality products, and ethical dealings?

- A. Partners/suppliers
- B. Shareholders/investors
- C. Community
- D. Customers

333 Which group of stakeholder's primary interests include fair compensation, job security, and ethical conduct/treatment?

- A. Employees
- B. Shareholders/investors
- C. Community
- D. Customers

334 Which group of stakeholder's primary interests include professional associations, ethical recycling, and increasing employment?

- A. Employees
- B. Shareholders/investors
- C. Community
- D. Customers

335 A _____ advantage features a product or service on which customers place a greater value than they do on similar offerings from competitors.

- A. competitive advantage
- B. competitor advantage
- C. power advantage
- D. first-mover advantage

336 Which of the following evaluates a project's position?

- A. SWOT Analysis
- B. The Five Forces Model
- C. Value Chain Analysis
- D. Three Generic Strategies

337 What is a SWOT analysis?

- A. Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies
- B. Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry
- C. Views a firm as a series of business processes, each of which adds value to the product or service
- D. Generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service

338 What evaluates industry attractiveness?

.

- A. SWOT Analysis
- B. The Five Forces Model
- C. Value Chain Analysis
- D. Three Generic Strategies

339 What is Porter's Five Forces Model?

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- A. Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies
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- C. Views a firm as a series of business processes, each of which adds value to the product or service
- D. Generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service

340 What executes business strategy?

.

- A. SWOT Analysis
- B. The Five Forces Model
- C. Value Chain Analysis
- D. Three Generic Strategies

341 What is a value chain analysis?

.

- A. Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.
- B. Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.
- C. Views a firm as a series of business processes, each of which adds value to the product or service.
- D. Generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service.

342 Which strategy below helps an organization choose its business focus?

.

- A. SWOT Analysis
- B. The Five Forces Model
- C. Value Chain Analysis
- D. Three Generic Strategies

343 What are Porter's Three Generic Strategies?

- A. Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies
- B. Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry
- C. Views a firm as a series of business processes, each of which adds value to the product or service
- D. Generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service

344 What is included in a SWOT analysis?

- A. Strengths, weaknesses, organizations, and technology
- B. Strengths, weaknesses, opportunities, and threats
- C. Success, willingness, opportunities, and technology
- D. Success, weaknesses, organizations, and threats

345 Which of the following statements is correct when considering a SWOT analysis?

- A. Strengths and weaknesses originate inside an organization
- B. Opportunities and threats originate inside an organization
- C. Strengths and threats originate inside an organization
- D. Opportunities and weaknesses organization outside an organization

346 Which of the following statements is correct when considering a SWOT analysis?

- A. Strengths and weaknesses originate outside an organization
- B. Opportunities and threats originate outside an organization
- C. Strengths and threats originate inside an organization
- D. Opportunities and weaknesses organization outside an organization

347 Which of the following are included as potential internal strengths in a SWOT analysis that are helpful to an organization?

- A. Core competencies, market leaders, cost advantages, excellent management
- B. Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated product line
- C. Expanded product line, increase in demand, new markets, new regulations
- D. New entrants, substitute products, shrinking markets, costly regulatory, requirements

348 Which of the following are included as potential internal weaknesses in a SWOT analysis that are harmful to an organization?

- A. Core competencies, market leaders, cost advantages, excellent management
- B. Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated product line
- C. Expanded product line, increase in demand, new markets, new regulations
- D. New entrants, substitute products, shrinking markets, costly regulatory, requirements

349 Which of the following are included as potential external opportunities in a SWOT analysis that are helpful to an organization?

- A. Core competencies, market leaders, cost advantages, excellent management
- B. Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated, product line
- C. Expanded product line, increase in demand, new markets, new regulations
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- C. Expanded product line, increase in demand, new markets, new regulations
- D. New entrants, substitute products, shrinking markets, costly regulatory, requirements

351 Where would you categorize strengths in a SWOT analysis?

- A. Internal, helpful
- B. Internal, harmful
- C. External, helpful
- D. External, harmful

352 Where would you categorize weaknesses in a SWOT analysis?

- A. Internal, helpful
- B. Internal, harmful
- C. External, helpful
- D. External, harmful

353 Where would you categorize opportunities in a SWOT analysis?

- A. Internal, helpful
- B. Internal, harmful
- C. External, helpful
- D. External, harmful

354 Where would you categorize threats in a SWOT analysis?

- A. Internal, helpful
- B. Internal, harmful
- C. External, helpful
- D. External, harmful

355 Which of the following describes a stakeholder?

- A. A leadership plan that achieves a specific set of goals or objectives
- B. A feature of a product or service on which customers place a greater value
- C. A person or group that has an interest or concern in an organization
- D. Information about a competitive environment

356 There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for customers?

- A. Exceptional customer service
- B. Fair compensation
- C. Professional associations
- D. Reliable contracts

357 There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for employees?

- A. Exceptional customer service
- B. Fair compensation
- C. Professional associations
- D. Reliable contracts

358 There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for the community?

- A. Exceptional customer service
- B. Fair compensation
- C. Professional associations
- D. Reliable contracts

359 There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for partners/suppliers?

- A. Exceptional customer service
- B. Fair compensation
- C. Professional associations
- D. Reliable contracts

360 There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for the government?

- A. Maximize profits
- B. Adhere to regulations/laws
- C. Exceptional customer service
- D. Reliable contracts

361 There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for shareholders/investors?

- A. Maximize profits
- B. Adhere to regulations/laws
- C. Exceptional customer service
- D. Reliable contracts

362 There are many different stakeholders found in an organization with common business interests. Depending on the stakeholder's perspective, the business strategy can change. Which of the following is not a main concern for shareholders/investors?

- A. Maximize profits
- B. Grow market share
- C. Job security
- D. High return on investment

363 What does a SWOT analysis do?

- A. Evaluates an organizations strengths, weaknesses, objectives, and threats
- B. Evaluates an organization's strengths, weaknesses, opportunities, and threats
- C. Evaluates an organization's supporters, weaknesses, opportunities, and technology
- D. Evaluates an organization's systems, warehouses, outputs, and technology

364 In a SWOT analysis, strengths and weaknesses originate _____ an organization.

- A. inside (internally)
- B. outside (externally)
- C. Both inside and outside
- D. None of these choices

365 In a SWOT analysis, opportunities and threats originate _____ an organization.

- A. inside (internally)
- B. outside (externally)
- C. Both inside and outside
- D. None of these choices

366 In a SWOT analysis, which of the following could you discover as potential internal strengths (helpful)?

- A. Cost advantages
- B. Damaged reputation
- C. New markets
- D. Competitor issues

367 In a SWOT analysis, which of the following could you discover as potential inner weaknesses (harmful)?

- A. Cost advantages
- B. Damaged reputation
- C. New markets
- D. Competitor issues

368 In a SWOT analysis, which of the following could you discover as potential external opportunities (helpful)?

- A. Cost advantages
- B. Damaged reputation
- C. New markets
- D. Improved marketing campaigns

369 Managers use four common tools to analyze competitive intelligence and develop competitive advantages. Which of the following is not one of these tools?

- A. The Three Generic Strategies
- B. The Five Forces Model
- C. First-mover advantage
- D. SWOT analysis

370 The Victory Wireless store in Denver is currently offering a fabulous marketing strategy for potential new iPhone customers. Victory Wireless offers customers who purchase an iPhone with a 2-year subscription a free Otter phone case, car charger, ear phones, and speakers. In terms of Porter's Five Forces what is Victory Wireless attempting to achieve with this marketing strategy?

- A. Increase buyer power
- B. Increase substitute products
- C. Decrease supplier power
- D. Decrease buyer power

371 Gina Brooks works for Aquarium Retail Services selling high-end salt water fish and tank supplies. Aquarium Retail Services is the current market leader in Gina's city. Gina has recently been approached by Deep Blue Incorporated with an opportunity to run its corporate nation-wide marketing and sales division. Gina decides to jump at the opportunity! Deep Blue is attempting to gain a competitive _____ by stealing its competitor's key employees.

- A. power
- B. entry barrier
- C. advantage
- D. loyalty

372 The banking industry has implemented several competitive advantages including ATM's, online bill pay services, and electronic statements. Of course, these competitive advantages were quickly duplicated by any competitor that wanted to remain in the banking industry. These were all examples of _____ competitive advantages.

- A. acquiring new technology products and services
- B. hiring new employees
- C. reducing expenses
- D. gaining invaluable feedback from customers

373 Michael Porter defined the Five Forces Model and the potential pressures that can hurt sales. Which of the following is not one of the potential pressures that can hurt sales?

- A. Suppliers can drive down profits by charging more for supplies.
- B. New market entrants can steal potential investment capital.
- C. Substitute products can steal customers.
- D. Competition can steal customers.

374 Kevin Campbell is an incoming freshman at your college. Kevin is frustrated by the cost of books, tuition, and expenses and he also needs to purchase a rather expensive laptop. In an effort to save money, Kevin beings a Facebook group finding other college students who need to purchase laptops. Soon, Kevin's Facebook group has close to 100,000 students. Kevin decides to collectively approach different computer companies to see if his group qualifies for a special discount. What business strategy is Kevin using to purchase laptops?

- A. Collecting business intelligence
- B. Decreasing entry barriers
- C. Purchasing a substitute product
- D. Increasing buyer power

375 What are costs that make customers reluctant to switch to another product or service?

- A. Support activities
- B. Switching costs
- C. Loyalty rewards
- D. Value chain activities

376 Callie Crystal owns and operates one of the most successful local coffee shops in Denver, called The Edgewater Café. Each time a customer purchases their 100th cup of coffee at The Edgewater Café they receive a free pound of coffee of their choice. What is Callie attempting to create with her unique "Free Pound of Coffee" marketing program?

- A. Reducing buyer power with a loyalty program
- B. Increasing buyer power with a loyalty program
- C. Decreasing supplier power with a differentiated product
- D. Creating a substitute product

377 What includes all parties involved, directly or indirectly, in obtaining raw materials or a product?

- A. Support chain
- B. Supply chain
- C. System chain
- D. Supply choice

378 Which of the below represents a company in a supply chain?

- A. Customer and competitor
- B. Supplier and competitor
- C. Knowledge worker and supplier
- D. Supplier and customer

379 In the center of Porter's Five Forces model is competition. Which of the below represents the four outer boxes?

- A. Buyer power, systems power, threat of false entrants, and threat of substitute products or services
- B. Buyer power, systems power, threat of new entrants, and threat of substitute products or services
- C. Buyer power, supplier power, threat of new entrants, and threat of substitute products or services
- D. Business power, supplier power, threat of new entrants, and threat of powerful services

380 Shawn McGill is on the executive board for ABC pharmaceuticals. The company produces the number one selling cancer fighting drug on the market. Due to its incredible success, ABC pharmaceuticals has decided to increase the cost of the drug from \$8 a pill to \$15 a pill. Which force is ABC pharmaceutical using to increase its drug price?

- A. Supplier power
- B. Buyer power
- C. Threat of false entrants
- D. Business power

381 What is one of the most common ways a company can decrease supplier power?

- A. Charge lower prices
- B. Charge higher prices
- C. Use MIS to find and create alternative products
- D. Companies cannot impact supplier power

382 If a supplier has high power what can it do to influence its industry?

- A. Charge higher prices
- B. Shift costs to industry participants
- C. Limit quality or services
- D. All of these choices

383 How can a company reduce the threat of substitute products or services?

- A. Market the product to less than ten customers
- B. Ignore competitive forces
- C. Offer additional value through wider product distribution
- D. Offer less value making the product far more generic and similar to the competition

384 Which one of Porter's Five Forces is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market?

- A. Threat of new entrants
- B. Threat of substitute products or services
- C. Threat of buyer power
- D. Supply chain competition

385 John Cleaver is the CEO of Tech World, which is a retail store that sells computers, monitors, cameras, televisions and many other electronic products. John and his executive team are meeting to brainstorm new ideas on how to grow the business. One idea is to mimic a competitor's product that is attempting to sell a new product in a different industry. After performing a Porter's Five Forces analysis John determines that all of the forces are high in this new industry. What should John do?

- A. Explode into the market with an overflow of the product.
- B. Contemplate other products to introduce at the same time in this new market.
- C. Compare the competitor's prices and offer his product lower in this new market.
- D. Not introduce the product because all Five Forces are strong and this would be a highly risky business strategy.

386 What is a feature of a product or service that customers have come to expect and entering competitors must offer the same if they want to survive?

- A. Significant barrier
- B. Entry barrier
- C. Product differentiation
- D. Entry chain

387 Which of the following represents a typical supply chain?

- A. Company - customers - suppliers
- B. Company - suppliers - customers
- C. Suppliers - company - customers
- D. Suppliers - customers - company

388 Imagine you are creating a new product to sell in an up-and-coming market. Which of the below statements indicates that it would be easy for you as the new entrants to compete in this market?

- A. The threat of new entrants' force is high in the up-and-coming market.
- B. The threat of new entrants' force is low in the up-and-coming market.
- C. The threat of new entrants' force is impossible to define in the up-and-coming market.
- D. All of these choices, depending on the time of year.

389 Imagine you are creating a new product to sell in an up-and-coming market. Which of the below statements indicates that it would be difficult for you to enter this new market?

- A. The threat of new entrants' force is high in the up-and-coming market.
- B. The threat of new entrants' force is low in the up-and-coming market.
- C. The threat of new entrants' force is high during the summer months in the up-and-coming market.
- D. All of these choices, depending on the time of year.

390 Which of the following offers an example where Porter's Five Forces are mostly strong and competition is high?

- A. A dog walking business
- B. A ski resort
- C. A professional hockey team
- D. All of these choices

391 Which of the following offers an example where Porter's Five Forces are mostly weak and competition is low?

- A. An international hotel chain purchasing milk
- B. A coffee shop
- C. A single consumer purchasing milk
- D. A dog walking business

392 Some industries' competition is much more intense than others. Retail grocery stores such as Kroger, Safeway, and Albertson's in the United States experience fierce competition and offer similar marketing campaigns to compete. What is an example of in terms of Porter's Five Forces?

- A. Rivalry among new entrants
- B. Rivalry among existing competitors
- C. Threat of substitute products or services
- D. Buyer power

393 Amazon.com uses a customer profiling system whenever a customer visits its website. Using this system, Amazon can offer products tailored to that particular customer's profile and buying pattern. What is Amazon using to achieve this competitive advantage?

- A. Rivalry
- B. Buyer power
- C. Product differentiation
- D. Substitute product

394 Your boss, Ty Jacob, has asked you to analyze the music industry using Porter's Five Forces model. Which of the following represents supplier power in the music industry?

- A. Established record labels like EMI, Sony, Universal
- B. Walmart, Target, iTunes
- C. Game systems like Wii, social networks like Facebook
- D. Taylor Swift, Beyoncé, The Beatles, The Stones

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396 Your boss, Ty Jacob, has asked you to analyze the music industry using Porter's Five Forces model. Which of the following represents the threat of substitute products or services in the music industry?

- A. Established record labels like EMI, Sony, Universal
- B. Independent record labels
- C. Game systems like Wii, social networks like Facebook
- D. Taylor Swift, Beyoncé, The Beatles, The Stones

397 Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents supplier power in the soft drink industry?

- A. Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B. Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C. Zevia Natural Diet Soda begins selling directly over the Internet.
- D. Vitamin water, fruit juice, coffee.

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- 399 Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents a threat of a new entrant in the soft drink industry?
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 - B. Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
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- 400 Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents a substitute product in the soft drink industry?
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 - B. Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
 - C. Zevia Natural Diet Soda begins selling directly over the Internet.
 - D. Vitamin water, fruit juice, coffee
- 401 What is buyer power?
- A. The ability of buyers to affect the price they must pay for an item
 - B. The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services)
 - C. High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market
 - D. High when there are many alternatives to a product or service and low when there are few alternatives from which to choose
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404 What is threat of new entrants?

.

- A. The ability of buyers to affect the price they must pay for an item
- B. The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services)
- C. High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market
- D. High when there are many alternatives to a product or service and low when there are few alternatives from which to choose

405 What is rivalry among existing competitors?

.

- A. The ability of buyers to affect the price they must pay for an item
- B. The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services)
- C. High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market
- D. High when competition is fierce in a market and low when competitors are more complacent

406 Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents rivalry in the soft drink industry?

.

- A. Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B. Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C. Zevia Natural Diet Soda begins selling directly over the Internet.
- D. Coke and Pepsi submit bids to the owner of a football stadium for the exclusive sale of their products during games.

407 Porter identified Three Generic Strategies that a business could follow after identifying a market it wanted to enter. Which of the following is not included as one of Porter's Three Generic Strategies?

.

- A. Broad differentiation
- B. Supplier cost differentiation
- C. Focused strategy
- D. Broad cost leadership

408 When analyzing Porter's Three Generic Strategies for entering a market, if you have a focused strategy what market should you target?

.

- A. A niche market
- B. A broad market
- C. Neither niche or broad markets
- D. Both niche and broad markets

409 Which of the following offers an example of a company operating in a narrow focused-market
. operating as the low-cost provider?

- A. Walmart
- B. Tiffany & Co.
- C. Neiman Marcus
- D. Payless Shoes

410 Broad differentiation, broad cost leadership, and _____ create the Three Generic Strategies
. identified by Porter.

- A. narrow market leadership
- B. high cost versus low cost
- C. fused strategy
- D. None of these choices

411 Jennifer Bloom is writing a paper and she must determine which of Porter's Three Generic
. Strategies The Museum Company has implemented. Jennifer finds out that The Museum
Company offers specialty products found only in museums around the world to affluent
customers. What would Jennifer determine The Museum Company is using as its generic
strategy?

- A. Broad market, low cost
- B. Narrow market, high cost
- C. Broad market, high cost
- D. Narrow market, low cost

412 According to Porter companies that wish to dominate broad markets should operate using a
. _____ strategy.

- A. cost leadership with a low cost
- B. differentiation with a low cost
- C. cost leadership with a high cost
- D. All of these choices

413 Which of the following demonstrates a company that has implemented a low cost, broad market
. strategy?

- A. Neiman Marcus
- B. Payless Shoes
- C. The Sharper Image
- D. Walmart

414 If a business is following a focused strategy then its competitive scope is _____.

- A. broad market
- B. narrow market
- C. broad range products
- D. broad range of services

415 When applying Porter's Three Generic Strategies, Tiffany & Co. has a competitive scope and cost strategy that is _____.

- A. broad market - high cost strategy
- B. narrow market - low cost strategy
- C. narrow market - high cost strategy
- D. broad market - low cost strategy

416 When analyzing the book store industry, some of today's businesses compete with different business strategies and cost strategies. Which of the following is using a broad market competitive scope along with a low cost strategy?

- A. Amazon.com
- B. Any local independent book store that specializes in antique books
- C. Barnes & Noble
- D. Borders books

417 Which of the below is similar to focused strategy versus broad strategy?

- A. Large market versus leadership
- B. Large market versus uniqueness
- C. Niche market versus large market
- D. Niche market versus generic

418 Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's Three Generic Strategies. Which of the following companies are using a cost leadership strategy?

- A. Southwest, Horizon, Frontier, JetBlue
- B. British Airways, Singapore Airlines, Virgin Atlantic
- C. Sky Taxi - a rent by the hour personal plane service
- D. All of these choices

419 Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's Three Generic Strategies. Which of the following companies are using a differentiation strategy?

- A. Southwest, Horizon, Frontier, JetBlue
- B. British Airways, Singapore Airlines, Virgin Atlantic
- C. Sky Taxi - a rent by the hour personal plane service
- D. All of these choices

- 420 Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's Three Generic Strategies. Which of the following companies are using a focused strategy?
- A. Southwest, Horizon, Frontier, JetBlue
 - B. British Airways, Singapore Airlines, Virgin Atlantic
 - C. Sky Taxi - a rent by the hour personal plane service
 - D. All of these choices
- 421 When reviewing Porter's value chain analysis, which of the below provides customer support after the sale of goods and services?
- A. Inbound logistics
 - B. Outbound logistics
 - C. Operations
 - D. Service
- 422 Which of the below represents procurement as part of the support value activities in a value chain analysis?
- A. Purchases inputs such as raw materials, resources, equipment and supplies
 - B. Applies MIS to processes to add value
 - C. Distributes goods and services to customers
 - D. Promotes, prices, and sells products to customers
- 423 What includes support value activities and primary value activities and is used to determine how to create the greatest possible value for customers?
- A. Supplier power
 - B. Operations management
 - C. Porter's Five Forces Model
 - D. The value chain analysis
- 424 What is a standardized set of activities that accomplishes a specific task?
- A. Business strategy
 - B. Business outcome
 - C. Business process
 - D. Knowledge process
- 425 Which of the following analyzes a company's business processes and is useful for determining how to create the greatest possible value for customers?
- A. Product analysis
 - B. Primary supplier power
 - C. Value chain analysis
 - D. Buyer chain analysis

426 The goal of value chain analysis is to identify processes in which the firm can add value for the customer and create a competitive advantage for itself, with a _____ or _____.

- A. focused strategy, product differentiation
- B. focused strategy, cost advantage
- C. cost advantage, primary value activities
- D. cost advantage, product differentiation

427 What are the two main categories in a value chain analysis?

- A. Primary value activities & secondary value activities
- B. Primary value activities & support value activities
- C. Primary value activities & strengthening value activities
- D. None of these choices

428 Which of the following is not considered a category within the primary value activities in a value chain analysis?

- A. Inbound logistics
- B. Firm infrastructure
- C. Operations
- D. Service

429 Which of the following is not considered a category within the support value activities in a value chain analysis?

- A. Technology development
- B. Outbound logistics
- C. Human resource management
- D. Firm infrastructure

430 What is the support value activity that provides employees with training, hiring, and compensation?

- A. Procurement
- B. Operations resource management
- C. Human resource management
- D. Firm infrastructure

431 Sandy Fiero works as the chief knowledge officer for Bend Lumbar Company. She has been given the responsibility to create a product or service that will bring an added value to its customers to increase the company's revenue. Sandy determines that the best value she can add is by creating a service that offers free next day shipping on any order over \$50. Where in the value chain is Sandy adding value?

- A. The primary value activity outbound logistics
- B. The primary value activity inbound logistics
- C. The primary value activity marketing and sales
- D. The primary value activity operations

432 When evaluating the value chain, all of the following are included in the primary value activities except _____.

- A. inbound activities
- B. operations
- C. service
- D. MIS development

433 When evaluating the value chain, which of the following is included in the support value activities?

- A. Inbound activities
- B. Marketing and sales
- C. Firm infrastructure
- D. Finance and sales

434 Which of the following decisions does a firm need to make as soon as it has identified the activities from the value chain that are bringing the highest added value to their customers?

- A. Target high value-adding activities to further enhance their value
- B. Target low value-adding activities to increase their value
- C. Perform some combination of the two
- D. All of these choices

435 MIS can add value to both primary activities and support activities in the value chain. Which of the following is not an example of a company adding value by the use of MIS in a primary activity?

- A. Scottrade Corp. creating an online system for employees to track paychecks, benefits, wellness rewards program, and other employee benefit items
- B. A system for the sales and marketing departments to track specific sales targets and follow up processes
- C. An easy electronic survey, similar to the survey monkey, to be sent to the customer right after a service was completed
- D. Royal Crest Dairy using their custom order and delivery system through an easily accessible Web portal for the customer to track delivery status

436 MIS can add value to both primary and support activities within a business. Which of the following is not an example of a company adding value by the use of MIS in a support activity?

- A. Netflix creating a business strategy for the video rental market that delivers videos via the mail
- B. The human resources department creates a tracking system to efficiently reward employees based on their performance
- C. Scottrade Corp. creating an online system for employees to track paychecks, benefits, wellness rewards program, and other employee benefit items
- D. The University of Forks creates a program to automatically order office supplies such as pens and pads of paper for its employees

Essay Questions

437 Describe the information age and the differences between data, information, business intelligence, and knowledge.

438 Identify the different departments in a company and why they must work together to achieve success.

439 Define the six primary MIS-related strategic positions in an organization along with their associated responsibilities.

440 Explain systems thinking and how management information systems enable business communications.

441 Explain why competitive advantages are temporary.

442 Describe Porter's Five Forces Model and explain each of the Five Forces.

443 Compare Porter's Three Generic Strategies.

.

444 Demonstrate how a company can add value by using Porter's value chain analysis.

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Chapter 01 Management Information Systems: Business Driven MIS

Answer Key

True / False Questions

1. Companies today are successful when they combine the power of the information age with traditional business methods.

TRUE

Companies today are successful when they combine the power of the information age with traditional business methods.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

2. Competitive intelligence is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making.

FALSE

This is the definition of business intelligence which is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

3. Business intelligence is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making.

TRUE

This is the definition of business intelligence.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence,

and knowledge.
Topic: Competing in the Information Age

4. The information age is the present time, during which infinite quantities of facts are widely available to anyone who can use a computer.

TRUE

The information age is the present time, during which infinite quantities of facts are widely available to anyone who can use a computer.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

5. Technology provides countless business opportunities, but can also lead to pitfalls and traps for a business.

TRUE

Technology provides countless business opportunities, but can also lead to pitfalls and traps for a business.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

6. Top managers use social intelligence to define the future of the business, analyzing markets, industries and economies to determine the strategic direction the company must follow to remain unprofitable.

FALSE

Top managers use business intelligence, not social intelligence and want to remain profitable not unprofitable.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

7. A variable is a business intelligence characteristic that stands for a value that cannot change over time.

FALSE

A variable is a data characteristic that can change over time.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

8. A fact is the confirmation or validation of an event or object. In the past, people primarily learned facts from books.

TRUE

A fact is the confirmation or validation of an event or object. In the past, people primarily learned facts from books.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

9. Zappos is not a technology company; its primary business focus is to sell books.

FALSE

Zappos is not a technology company; its primary business focus is to sell shoes, bags, clothing, and accessories.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

10. Order date, amount sold, and customer number are all forms of data.

TRUE

Order date, amount sold, and customer number are all forms of data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence,

and knowledge.
Topic: Competing in the Information Age

11. Choosing not to fire a sales representative who is underperforming knowing that person is experiencing family problems is a form of knowledge.

TRUE

Choosing not to fire a sales representative who is underperforming knowing that person is experiencing family problems is a form of knowledge.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

12. Information is data converted into a meaningful and useful context. The truth about information is that its value is only as good as the people who use it. People using the same information can make different decisions depending on how they interpret or analyze the information.

TRUE

Information is data converted into a meaningful and useful context. The truth about information is that its value is only as good as the people who use it.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

13. The Internet of Things (IoT) is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.

TRUE

The Internet of Things (IoT) is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

14. Machine to machine (M2M) refers to devices that connect directly to other devices.

TRUE

Machine to machine (M2M) refers to devices that connect directly to other devices.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

15. The Internet of Things (IoT) refers to devices that connect directly to other devices.

FALSE

The Internet of Things (IoT) is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

16. Predictive analytics extracts information from data and uses it to predict future trends and identify behavioral patterns.

TRUE

Predictive analytics extracts information from data and uses it to predict future trends and identify behavioral patterns.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

17. Predictive analytics is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.

FALSE

The Internet of Things (IoT) is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

18. Top managers use predictive analytics to define the future of the business, analyzing markets, industries, and economies to determine the strategic direction the company must follow to remain profitable. Tony will set the strategic direction for his firm, which might include introducing new flavors of potato chips or sports drinks as new product lines or schools and hospitals as new market segments.

TRUE

Top managers use predictive analytics to define the future of the business, analyzing markets, industries, and economies to determine the strategic direction the company must follow to remain profitable. Tony will set the strategic direction for his firm, which might include introducing new flavors of potato chips or sports drinks as new product lines or schools and hospitals as new market segments.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

19. Machine to machine (M2M) extracts information from data and uses it to predict future trends and identify behavioral patterns.

FALSE

Predictive analytics extracts information from data and uses it to predict future trends and identify behavioral patterns.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

20. Knowledge workers are individuals valued for their ability to mitigate risk and implement critical human resource rules and regulations.

FALSE

Knowledge workers are individuals valued for their ability to interpret and analyze information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

21. Using only data and information to make decisions and solve problems is the key to finding success in business. These are also the only core drivers of the information age and the building blocks of business systems.

FALSE

Using data, information, business intelligence, and knowledge to make decisions and solve problems is the key to finding success in business. These are also the core drivers of the information age and the building blocks of business systems.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

22. Big data is a collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools.

TRUE

Big data is a collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

23. Big data is a view of data at a particular moment in time.

FALSE

A snapshot is a view of data at a particular moment in time.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

24. A snapshot is a view of data at a particular moment in time.

TRUE

A snapshot is a view of data at a particular moment in time.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

25. A static report can include updating daily stock market prices or the calculation of available inventory.

FALSE

A dynamic report can include updating daily stock market prices or the calculation of available inventory.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

26. A dynamic report can include updating daily stock market prices or the calculation of available inventory.

TRUE

A dynamic report can include updating daily stock market prices or the calculation of available inventory.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

27. Structured data extracts information from data and uses it to predict future trends and identify behavioral patterns.

FALSE

Predictive analytics extracts information from data and uses it to predict future trends and identify behavioral patterns.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

28. Unstructured data extracts information from data and uses it to predict future trends and identify behavioral patterns.

FALSE

Predictive analytics extracts information from data and uses it to predict future trends and identify behavioral patterns.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

29. Structured data is data that has a defined length, type, and format and includes numbers, dates, or strings such as customer address.

TRUE

Structured data is data that has a defined length, type, and format and includes numbers, dates, or strings such as customer address.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

30. Unstructured data is data that is not defined and does not follow a specified format and is typically free-form text such as emails, Twitter tweets, and text messages.

TRUE

Unstructured data is data that is not defined and does not follow a specified format and is typically free-form text such as emails, Twitter tweets, and text messages.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

31. Unstructured data is data that has a defined length, type, and format and includes numbers, dates, or strings such as customer address.

FALSE

Structured data is data that has a defined length, type, and format and includes numbers, dates, or strings such as customer address.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

32. Structured data is data that is not defined and does not follow a specified format and is typically free-form text such as emails, Twitter tweets, and text messages.

FALSE

Unstructured data is data that is not defined and does not follow a specified format and is typically free-form text such as emails, Twitter tweets, and text messages.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

33. Unstructured data extracts information from data and uses it to predict future trends and identify behavioral patterns.

FALSE

Predictive analytics extracts information from data and uses it to predict future trends and identify behavioral patterns.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

34. Companies update business strategies continuously as internal and external environments change.

TRUE

Companies update business strategies continuously as internal and external environments change.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

35. The Finance department performs the function of selling goods or services.

FALSE

The Sales department performs the function of selling goods or services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

36. The Marketing department supports sales by planning, pricing, and promoting goods or services.

TRUE

The Marketing department supports sales by planning, pricing, and promoting goods or services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

37. The Operations management department manages the process of converting or transforming resources into goods or services.

TRUE

The Operations management department manages the process of converting or transforming resources into goods or services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

38. The Accounting and Finance departments primarily use monetary data.

TRUE

The Accounting and Finance departments primarily use monetary data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve

success.

Topic: The Challenge: Departmental Companies

39. The Sales and Marketing departments primarily use monetary data.

FALSE

The Sales and Marketing departments primarily use transactional data.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

40. For an organization to succeed, every department or functional area must work independently to be most effective.

FALSE

For an organization to succeed, every department or functional area must work together or interdependently sharing common information and not be a "silo."

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

41. Successful companies today operate cross-functionally, integrating the operations of all departments.

TRUE

Successful companies today operate cross-functionally, integrating the operations of all departments.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

42. MIS is a tool that is most valuable when it leverages the talents of people who know how to use and manage it effectively.

TRUE

MIS is a tool that is most valuable when it leverages the talents of people who know how to use and manage it effectively.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

43. The chief technology officer is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks from hackers and viruses.

FALSE

The chief technology officer is responsible for ensuring the speed, accuracy, availability, and reliability for MIS.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

44. The chief security officer is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks from hackers and viruses.

TRUE

The chief security officer is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks from hackers and viruses.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

45. The chief data officer is responsible for ensuring the speed, accuracy, availability, and reliability for MIS.

FALSE

The chief technology officer is responsible for ensuring the speed, accuracy, availability, and reliability for MIS.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

46. The chief privacy officer is responsible for ensuring the ethical and legal use of information within a company.

TRUE

The chief privacy officer is responsible for ensuring the ethical and legal use of information within a company.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

47. The business decisions made by the Marketing department include promotional data, sales data, and advertising data.

TRUE

The business decision the Marketing department makes includes promotion data, sales data, and advertising data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

48. The business decisions made by the Human Resources department include employee data, promotion data, and vacation data.

TRUE

The business decision the Human Resources department makes includes employee data, promotion data, and vacation data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

49. The business decisions made by the Finance department include investment data, monetary data, and reporting data.

TRUE

The business decision the Finance department makes includes investment data, monetary data, and reporting data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

50. The business decisions made by the Accounting department include transactional data, purchasing data, payroll data, and tax data.

TRUE

The business decisions the Accounting department makes includes transactional data, purchasing data, payroll data, and tax data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

51. The business decisions made by the Sales department include potential customer data, sales report data, commission data, and customer support data.

TRUE

The business decisions the Sales department makes includes potential customer data, sales report data, commission data, and customer support data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

52. The business decisions made by the Operations management department include manufacturing data, distribution data, and production data.

TRUE

The business decisions the Operations management department makes includes manufacturing data, distribution data, and production data.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

53. The business decisions made by the Finance department include promotion data, sales data, and advertising data.

FALSE

The business decision the Marketing department makes includes promotion data, sales data, and advertising data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

54. The business decisions made by the Accounting department include employee data, promotion data, and vacation data.

FALSE

The business decision the Human Resources department makes includes employee data, promotion data, and vacation data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

55. The business decisions made by the Human Resources department include investment data, monetary data, and reporting data.

FALSE

The business decision the Finance department makes includes investment data, monetary data, and reporting data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

56. The business decisions made by the Marketing department include transactional data, purchasing data, payroll data and tax data.

FALSE

The business decisions the Accounting department makes includes transactional data, purchasing data, payroll data and tax data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

57. The business decisions made by the Human Resources department include potential customer data, sales report data, commission data, and customer support data.

FALSE

The business decisions the Sales department makes includes potential customer data, sales report data, commission data, and customer support data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

58. The business decisions made by the Accounting department include manufacturing data, distribution data, and production data.

FALSE

The business decisions the Operations management department makes includes manufacturing data, distribution data, and production data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

59. The chief data officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.

FALSE

The chief information officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

60. The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.

TRUE

The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

61. Most organizations maintain positions such as chief executive officer (CEO), chief financial officer (CFO), and chief operations officer (COO) at the strategic level.

TRUE

Most organizations maintain positions such as chief executive officer (CEO), chief financial officer (CFO), and chief operations officer (COO) at the strategic level.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

62. The chief knowledge officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.

FALSE

The chief information officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

63. The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.

TRUE

The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

64. The chief data officer (CDO) is responsible for determining the types of information the enterprise will capture, retain, analyze, and share.

TRUE

The chief data officer (CDO) is responsible for determining the types of information the enterprise will capture, retain, analyze, and share.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

65. The chief data office (CDO) is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organization's information technology.

FALSE

The chief technology officer (CTO) is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organization's information technology.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

66. The chief technology officer (CTO) is responsible for ensuring the security of MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses.

FALSE

The chief security officer (CSO) is responsible for ensuring the security of MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

67. The chief privacy officer (CPO) is responsible for ensuring the ethical and legal use of information within an organization.

TRUE

The chief privacy officer (CPO) is responsible for ensuring the ethical and legal use of information within an organization.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

68. The chief intellectual property officer (CIPO) is responsible for collecting, maintaining, and distributing the organization's knowledge.

FALSE

The chief knowledge officer (CKO) is responsible for collecting, maintaining, and distributing the organization's knowledge.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

69. The chief security officer (CSO) is responsible for ensuring the security of MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses.

TRUE

The chief security officer (CSO) is responsible for ensuring the security of MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

70. According to Fast Company magazine, a few executive levels you might see created over the next decade include chief intellectual property officer, chief automation officer, and chief user experience officer.

TRUE

According to Fast Company magazine, a few executive levels you might see created over the next decade include chief intellectual property officer, chief automation officer, and chief user experience officer.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

71. The difference between existing MIS workplace knowledge and the knowledge required to fulfill the business goals and strategies is called an MIS skill set.

FALSE

The difference between existing MIS workplace knowledge and the knowledge required to fulfill the business goals and strategies is called an MIS skills gap.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

72. Most CTOs do not possess a well-rounded knowledge of all aspects of MIS, such as hardware, software, and telecommunications.

FALSE

Most CTOs possess a well-rounded knowledge of all aspects of MIS, including hardware, software, and telecommunications.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

73. Many CPOs are lawyers by training, enabling them to understand the often complex legal issues surrounding the use of information.

TRUE

Many CPOs are lawyers by training, enabling them to understand the often complex legal issues surrounding the use of information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

74. Common approaches to closing an MIS skills gap include social recruiting, off-site training, mentoring services, and competitive salaries.

FALSE

Common approaches to closing an MIS skills gap include social recruiting, off-site training, mentoring services, and partnerships with universities.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

75. MIS skills gap is the difference between existing MIS workplace knowledge and the knowledge required to fulfill the business goals and strategies.

TRUE

This is the definition of MIS skills gap.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

76. Closing the MIS skills gap by aligning the current workforce with potential future business needs is a simple proposition.

FALSE

Closing the MIS skills gap by aligning the current workforce with potential future business needs is a complicated proposition.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

77. In many instances, an MIS job will remain unfilled for an extended period of time when an employer needs to hire someone who has a very specific set of skills. In recruiting lingo, such candidates are referred to as "purple turtles."

FALSE

In recruiting lingo, such candidates are referred to as "purple squirrels."

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

78. Goods are material items or products that customer's will buy to satisfy a want or need.

TRUE

Goods are material items or products that customer's will buy to satisfy a want or need.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.
Topic: The Solution: Management Information Systems

79. Waiting tables, teaching, and cutting hair are all examples of services that people pay for to fulfill their needs.

TRUE

Waiting tables, teaching, and cutting hair are all examples of services that people pay for to fulfill their needs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.
Topic: The Solution: Management Information Systems

80. An overview of systems thinking includes input, process, output, and finances.

FALSE

An overview of the systems thinking includes input, process, output, and feedback.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

81. A stakeholder is a person or group that has an interest or concern in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change.

TRUE

A stakeholder is a person or group that has an interest or concern in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. It is not uncommon to find stakeholders' business strategies have conflicting interests such as investors looking to increase profits by eliminating employee jobs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

82. It is not uncommon to find stakeholders' business strategies have conflicting interests such as investors looking to increase profits by eliminating employee jobs.

TRUE

A stakeholder is a person or group that has an interest or concern in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. It is not uncommon to find stakeholders' business strategies have conflicting interests such as investors looking to increase profits by eliminating employee jobs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

83. Cars, groceries, and clothing are all examples of goods.

TRUE

Cars, groceries, and clothing are all examples of goods.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

84. Production is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services.

TRUE

Production is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

85. Productivity is the rate at which goods and services are produced based upon total output given total inputs.

TRUE

Productivity is the rate at which goods and services are produced based upon total output given total inputs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

86. Lettuce, tomatoes, patty, bun, and ketchup are included in the output of making a hamburger.

FALSE

Lettuce, tomatoes, patty, bun, and ketchup are included as inputs of making a hamburger.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business

87. Cooking a patty and putting the ingredients together are included in the process of making a hamburger.

TRUE

Cooking a patty and putting the ingredients together are included in the process of making a hamburger.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

88. Bread, cheese, and butter are included in the process of making a grilled cheese sandwich.

TRUE

Bread, cheese, and butter are included as the inputs of making a grilled cheese sandwich.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

89. A grilled cheese sandwich is considered the final output of a making-a-sandwich process.

TRUE

A grilled cheese sandwich is considered the final output of a making-a-sandwich process.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

90. If a business could produce the same hamburger with less expensive inputs it would probably see a decrease in profits.

FALSE

If a business could produce the same hamburger with less expensive inputs it would probably see an increase in profits.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

*Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.
Topic: The Solution: Management Information Systems*

91. If a business could produce more hamburgers with the same inputs it would see a rise in productivity and possibly an increase in profits.

TRUE

If a business could produce more hamburgers with the same inputs it would see a rise in productivity and possibly an increase in profits.

*AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.
Topic: The Solution: Management Information Systems*

92. A leadership plan that achieves a specific set of goals or objectives is a business strategy.

TRUE

A leadership plan achieves a specific set of goals or objectives is a business strategy.

*AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages*

93. When a company is the first to market with a competitive advantage, it gains a particular benefit known as competitive intelligence.

FALSE

When a company is the first to market with a competitive advantage, it gains a particular benefit known as a first-mover advantage.

*AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages*

94. To combat business challenge, leaders communicate and execute business strategies from the Greek words *stratus* for army and *ago* for leading.

TRUE

To combat business challenge, leaders communicate and execute business strategies from the Greek words *stratus* for army and *ago* for leading.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

95. Businesses rarely need to update business strategies as the business environment remains relatively stable.

FALSE

Businesses constantly need to update business strategies as the business environment rapidly changes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

96. Attracting new customers, decreasing costs, and entering new markets are all examples of successful business strategies.

TRUE

Attracting new customers, decreasing costs, and entering new markets are all examples of business strategies.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

97. Decreasing customer loyalty, increasing costs, and decreasing sales are all examples of business strategies.

FALSE

Increasing customer loyalty, decreasing costs, and increasing sales are all examples of business strategies.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
analysis.
Topic: Identifying Competitive Advantages

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

98. A first-mover advantage is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed.

FALSE

Competitive intelligence is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
analysis.
Topic: Identifying Competitive Advantages

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

99. FedEx created a first-mover advantage by developing its customer self-service software, which allows people to request parcel pickups, print mailing slips, and track parcels online.

TRUE

FedEx created a first-mover advantage by developing its customer self-service software, which allows people to request parcel pickups, print mailing slips, and track parcels online.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
analysis.
Topic: Identifying Competitive Advantages

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

100. A SWOT analysis will evaluate potential internal strengths, internal weaknesses, and external opportunities.

TRUE

A SWOT analysis will evaluate potential internal strengths, internal weaknesses, and external opportunities.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
analysis.
Topic: Identifying Competitive Advantages

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

101. A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

TRUE

A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

102. A SWOT analysis evaluates an organization's strengths, weaknesses, objectives, and threats.

FALSE

A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

103. A SWOT analysis evaluates an organization's strengths, worries, opportunities, and technologies to identify significant influences that work for or against business strategies.

FALSE

A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

104. In a SWOT analysis, strengths and weaknesses originate inside an organization, or internally. Opportunities and threats originate outside an organization, or externally and cannot always be anticipated or controlled.

TRUE

Strengths and weaknesses originate inside an organization, or internally. Opportunities and threats originate outside an organization, or externally and cannot always be anticipated or controlled.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

105. In a SWOT analysis, potential internal strengths are helpful when they identify all key strengths associated with the competitive advantage including cost advantages, new and/or innovative services, special expertise and/or experience, proven market leader, improved marketing campaigns, and so on.

TRUE

Potential internal strengths are helpful when they identify all key strengths associated with the competitive advantage including cost advantages, new and/or innovative services, special expertise and/or experience, proven market leader, improved marketing campaigns, and so on.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

106. In a SWOT analysis, potential internal weaknesses are harmful when they identify all key areas that require improvement. Weaknesses focus on the absence of certain strengths, including absence of an Internet marketing plan, damaged reputation, problem areas for service, outdated technology, employee issues, and so on.

TRUE

In a SWOT analysis potential internal weaknesses are harmful when they identify all key areas that require improvement. Weaknesses focus on the absence of certain strengths, including absence of an Internet marketing plan, damaged reputation, problem areas for service, outdated technology, employee issues, and so on.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

107. In a SWOT analysis, potential external opportunities are helpful when they identify all significant trends along with how the organization can benefit from each, including new markets, additional customer groups, legal changes, innovative technologies, population changes, competitor issues, and so on.

TRUE

Potential external opportunities are helpful when they identify all significant trends along with how the organization can benefit from each, including new markets, additional customer groups, legal changes, innovative technologies, population changes, competitor issues, and so on.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

108. In a SWOT analysis, potential external threats are harmful when they identify all threats or risks detrimental to your organization, including new market entrants, substitute products, employee turnover, differentiating products, shrinking markets, adverse changes in regulations, economic shifts, and so on.

TRUE

Potential external threats are harmful when they identify all threats or risks detrimental to your organization, including new market entrants, substitute products, employee turnover, differentiating products, shrinking markets, adverse changes in regulations, economic shifts, and so on.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

109. Competitive advantages provide the same product or service either at a lower price or with additional value that can fetch premium prices.

TRUE

Competitive advantages provide the same product or service either at a lower price or with additional value that can fetch premium prices.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

110. Mark Peterson identified the Porter's Five Forces Model, which analyzes the competitive forces within a business environment.

FALSE

Michael Porter identified the Porter's Five Forces Model, which analyzes the competitive forces within a business environment.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

111. Porter's Five Forces Model outlines the process for a sales strategy.

FALSE

Porter's Five Forces Model analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

112. With the Five Forces Model, companies should watch the forces in the market. If the forces are strong competition generally increases and if the forces are weak competition typically decreases.

TRUE

With the Five Forces Model, companies should watch the forces in the market. If the forces are strong competition generally increases and if the forces are weak competition typically decreases.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

113. There are many challenges to changing doctors, including transferring medical records and losing the doctor-patient relationship along with the doctor's knowledge of the patient's history. Changing doctors provides a great example of switching costs.

TRUE

Switching costs are costs that make customers reluctant to switch to another product or service. Switching costs include financial as well as intangible values.

AACSB: Reflective Thinking
AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

114. Supplier power is one of Porter's Five Forces and it measures the suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).

TRUE

Supplier power is one of Porter's Five Forces that measures the suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

115. Polaroid had a unique competitive advantage for many years until it forgot to observe competitive intelligence. The firm went bankrupt when people began taking digital pictures. Polaroid provides a great example of Porter's supplier power.

FALSE

This is an example of Porter's threat of substitute products or services.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Analyze

Difficulty: 3 Hard

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

116. Product differentiation occurs when a company develops unique differences in its products or services with the intent to influence demand.

TRUE

Product differentiation occurs when a company develops unique differences in its products or services with the intent to influence demand.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

117. Buyer power is the ability of buyers to affect the price they must pay for an item.

TRUE

Buyer power is the ability of buyers to affect the price they must pay for an item.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

118. Rivalry among existing competitors refers to the ability of buyers to affect the price they must pay for an item.

FALSE

Buyer power is the ability of buyers to affect the price they must pay for an item.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

119. The threat of substitute products or services refers to the power of customers to purchase alternatives.

TRUE

The threat of substitute products or services refers to the power of customers to purchase alternatives.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

120. The threat of substitute products or services refers to the power of competitors to enter a new market.

FALSE

The threat of substitute products or services refers to the power of customers to purchase alternatives.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

121. Tiffany & Company competes in the marketplace by offering high cost custom jewelry. Tiffany & Company is following a broad market and cost leadership strategy.

FALSE

Tiffany & Company is following a focused market with high cost differentiation strategy.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard

Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

122. Porter has identified three generic business strategies including focused, broad cost leadership, and switching strategy.

FALSE

Porter has identified three generic business strategies: 1) broad cost leadership, 2) broad differentiation, and 3) focused strategy.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

123. According to Porter's Three Generic Strategies, Walmart is following a business strategy that focuses on "broad market and low cost."

TRUE

An example of a business that uses the business strategy "broad market and low cost" is Walmart.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

124. According to Porter, it is recommended to adopt only one of the Three Generic Strategies.

TRUE

According to Porter it is recommended to adopt only one of the Three Generic Strategies.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

125. Buyer power is included as one of Porter's Three Generic Strategies.

FALSE

Buyer power is included as one of Porter's Five Forces.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

126. Value chain analysis views a firm as a series of business processes that each adds value to the product or service.

TRUE

Value chain analysis views a firm as a series of business processes that each adds value to the product or service.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

127. A standardized set of activities that accomplish a specific task is called a supply chain component.

FALSE

A standardized set of activities that accomplish a specific task is called a business process.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

128. The value chain will group a company's activities into two categories: primary value activities and support value activities.

TRUE

The value chain will group a company's activities into two categories: primary value activities and support value activities.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

129. A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order.

TRUE

A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

130. A primary value activity is a standardized set of activities that accomplish a specific task, such as processing a customer's order.

FALSE

A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

131. Inbound logistics and operations are part of the primary value activities.

TRUE

Inbound logistics and operations are part of the primary value activities.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

132. Inbound logistics and operations are part of the support value activities.

FALSE

Inbound logistics and operations are part of the primary value activities.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

133. Firm infrastructure and human resource management are part of the primary value activities.

FALSE

Firm infrastructure and human resource management are part of the support value activities.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.

Topic: Value Chain Analysis

134. Firm infrastructure and human resource management are part of the support value activities.

TRUE

Firm infrastructure and human resource management are part of the support value activities.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.

Topic: Value Chain Analysis

Multiple Choice Questions

135. Which of the following is not considered a core driver of the information age?

A. Information

B. Business intelligence

C. Competitive intelligence

D. Data

The core drivers of the information age include data, information, business intelligence, and knowledge.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

136. Which of the following is not considered a core driver of the information age?

- A. Information
- B. Business intelligence
- C. Knowledge
- D. Variables**

The core drivers of the information age include data, information, business intelligence, and knowledge.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

137. Which of the following is considered a core driver of the information age?

- A. Fact
- B. Goods
- C. Competitive intelligence
- D. Data**

The core drivers of the information age include data, information, business intelligence, and knowledge.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

138. Which of the following is considered a core driver of the information age?

- A. Information
- B. Business intelligence
- C. Knowledge
- D. All of these choices**

The core drivers of the information age include data, information, business intelligence, and knowledge.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

139. Why do students need to study information technology?

- A.** Information technology is everywhere in business
 - B. Information technology is rarely discussed in business
 - C. Information technology is rarely used in organizations
 - D. Information technology is found in only a few businesses
- Information technology is everywhere in business.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

140. Why do students need to study information technology?

- A. Information technology is everywhere in business
 - B. Information technology is frequently discussed in business
 - C. Information technology is frequently used in organizations
 - D.** All of these choices
- Information technology is everywhere in business, frequently discussed in business, and frequently used in organizations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

141. What is the confirmation or validation of an event or object?

- A.** Fact
 - B. Data
 - C. Information technology
 - D. Business Intelligence
- A fact is the confirmation or validation of an event or object.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

142. The age we live in has infinite quantities of facts that are widely available to anyone who can use a computer. What age is this statement referring to?

A. Data age
B. Information age
C. Business intelligence age
D. Internet of Things

The information age has infinite quantities of facts that are widely available to anyone who can use a computer.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

143. Which of the following is not a technology company but used technology to revamp the business process of selling books?

A. Netflix
B. Dell
C. Zappos
D. Amazon

Amazon is not a technology company but used technology to revamp the business process of selling books.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

144. Which of the following is not a technology company but used technology to revamp the business process of renting videos?

A. Netflix
B. Dell
C. Zappos
D. Amazon

Netflix is not a technology company but used technology to revamp the business process of renting videos.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember

Difficulty: 1 Easy
Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

145. Which of the following is not a technology company but used technology to revamp the business process of selling shoes?

- A. Netflix
- B. Dell
- C. Zappos**
- D. Amazon

Zappos is not a technology company but used technology to revamp the business process of selling shoes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

146. What is data?

- A. Raw facts that describe the characteristics of an event or object**
- B. Data converted into a meaningful and useful context
- C. Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making
- D. Skills, experience, and expertise, coupled with information and intelligence, that creates a person's intellectual resources

Data are raw facts that describe the characteristics of an event or object.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

147. What is information?

- A. Raw facts that describe the characteristics of an event or object
- B. Data converted into a meaningful and useful context**
- C. Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making
- D. Skills, experience, and expertise, coupled with information and intelligence that creates a person's intellectual resources

Information is data converted into a meaningful and useful context.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

148. What is business intelligence?

- A. Raw facts that describe the characteristics of an event or object
- B. Data converted into a meaningful and useful context
- C. Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making**
- D. Skills, experience, and expertise, coupled with information and intelligence, which creates a person's intellectual resources

Business intelligence is information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

149. What is knowledge?

- A. Raw facts that describe the characteristics of an event or object
- B. Data converted into a meaningful and useful context
- C. Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making
- D. Skills, experience, and expertise, coupled with information and intelligence that creates a person's intellectual resources**

Knowledge includes skills, experience, and expertise, coupled with information and intelligence that creates a person's intellectual resources is knowledge.

AACSB: Reflective Thinking
AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

150. Which of the following is considered information?

- A. Quantity sold
- B. Date sold
- C. Best-selling item by month**
- D. Product sold

Best-selling item by month is information.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

151. Which of the following is considered data?

- A. Quantity sold**
- B. Best customer by month
- C. Best-selling item by month
- D. Worst-selling item by month

Quantity sold is data.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

152. Cheryl Steffan is the Operations Manager for Nature's Bread Company, which specializes in providing natural products for health conscious individuals. Cheryl is responsible for compiling, analyzing, and evaluating daily sales numbers to determine the company's profitability and forecast production for the next day. Which of the following is an example of a piece of data Cheryl would be using to successfully perform her job?

- A.** Craig Newmark is customer number 15467.
 - B. Compare the costs of supplies including energy over the last five years to determine the best-selling product by month.
 - C. Best-selling product by day.
 - D. Best-selling product changes when Tony, the best baker, is working.
- Data is raw facts that describe the characteristics of an event or object. Data for Cheryl would include Craig Newmark is customer number 15467.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

153. Cheryl Steffan is the Operations Manager for Nature's Bread Company, which specializes in providing natural products for health conscious individuals. Cheryl is responsible for compiling, analyzing, and evaluating daily sales numbers to determine the company's profitability and forecast production for the next day. Which of the following is an example of the type of information Cheryl would be using to successfully perform her job?

- A. Craig Newmark is customer number 15467.
 - B. Flour Power is supplier number 8745643.
 - C.** Best-selling product by day.
 - D. Best-selling product changes when Tony, the best baker, is working.
- Best-selling product by day is an example of information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

154. Cheryl Steffan is the Operations Manager for Nature's Bread Company, which specializes in providing natural products for health conscious individuals. Cheryl is responsible for compiling, analyzing, and evaluating daily sales numbers to determine the company's profitability and forecast production for the next day. Which of the following is an example of knowledge that Cheryl would be using to successfully perform her job?

- A. Craig Newmark is customer number 15467.
- B. Flour Power is supplier number 8745643.
- C. Best-selling product by day.
- D. Best-selling product changes when Tony the best baker is working.**
Knowledge would include knowing that the best baker is Tony and that when he works the best-selling product changes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

155. Data is useful for understanding individual sales, but to gain deeper insight into a business data needs to be turned into information. Which of the following offers an example of turning data into information?

- A. Who are my best customers?
- B. What is my best-selling product?
- C. What is my worst-selling product?
- D. All of these choices**
Questions outlined in the book include: Who are my best customers? Who are my least-profitable customers? What is my best-selling product? What is my slowest-selling product? Who is my strongest sales representative? Who is my weakest sales representative?

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

156. Which of the following provides an example of information?

- A. Who is customer number 12345XX?
- B. What is product number 12345XX?
- C. What customer number is Bob Smith?
- D. What is my worst-selling product?**
What is my worst-selling product is an example of taking data and turning it into information.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

157. Which of the following provides an example of data?

- A. Who are my best customers?
- B. What is my best-selling product?
- C. What is my worst-selling product?
- D. Who is customer number 12345XX?**

Who is customer number 12345XX is an example of data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

158. Business intelligence is information collected from multiple sources. Which of the following provides an example of a source that would be included in business intelligence?

- A. Suppliers
- B. Customers
- C. Competitors
- D. All of these choices**

Business Intelligence is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

159. Which of the following represents the core drives of the information age?

- A.** Data, information, business intelligence, knowledge
- B. Fact, data, intelligence, experience
- C. Fact, intelligence, business skills, knowledge
- D. Data, intelligence, business information, knowledge

Data, information, business intelligence, and knowledge are the core drivers of the information age.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

160. Which of the following is not a core driver of the information age?

- A. Information
- B. Knowledge
- C.** Internet of Things
- D. Data

The core drivers of the information age are data, information, business intelligence, and knowledge.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

161. Which of the following represents the definition of a variable?

- A. A data characteristic that is collected through competitive intelligence and cannot change over time
- B.** A data characteristic that stands for a value that changes or varies over time
- C. A data characteristic that stands for a value that does not change or vary over time
- D. A data characteristic that is collected only through competitive intelligence and can change over time

A variable is a data characteristic that stands for a value that changes or varies over time and can be manipulated to help improve profits.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence,

and knowledge.
Topic: Competing in the Information Age

162. Today's workers are referred to as _____ and they use BI along with personal experience to make decisions based on both information and intuition, a valuable resource for any company.

- A. knowledge workers
- B. knowledge thinkers
- C. knowledge resources
- D. knowledge players

Today's workers are commonly referred to as knowledge workers and they use BI along with personal experience to make decisions based on both information and intuition, a valuable resource for any company.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

163. What is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making?

- A. Supplier's intelligence
- B. Social intelligence
- C. Employee intelligence
- D. Business intelligence

Business intelligence is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

164. Information is data converted into useful, meaningful context. What are data characteristics that change or vary over time?

- A. Facts
- B. Variables**
- C. Supplies
- D. Services

A variable is a data characteristic that stands for a value that changes or varies over time.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

165. Which of the below is the key term that defines the confirmation or validation of an event or object?

- A. Buyer power
- B. Data
- C. Fact**
- D. Entry barrier

A fact is the confirmation or validation of an event or object.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

166. What is data converted into a meaningful and useful context?

- A. Competitive intelligence
- B. Information**
- C. Buyer power
- D. First-mover advantage

Information is data converted into a meaningful and useful context.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

167. What is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention?

- A.** Internet of Things
- B. Predictive analytics
- C. Machine to machine
- D. Flat world

The Internet of Things is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

168. What refers to devices that connect directly to other devices?

- A. Internet of Things
- B. Predictive analytics
- C.** Machine to machine
- D. Flat world

Machine to machine (M2M), which refers to devices that connect directly to other devices.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

169. What extracts information from data and uses it to predict future trends and identify behavioral patterns?

- A. Internet of Things
- B.** Predictive analytics
- C. Machine to machine
- D. Flat world

Predictive analytics, which extracts information from data and uses it to predict future trends and identify behavioral patterns.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

170. What is the Internet of Things?

- A. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention
- B. Extracts information from data and uses it to predict future trends and identify behavioral patterns
- C. Refers to devices that connect directly to other devices
- D. Opportunities to change the way people purchase books

The Internet of Things is a world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

171. What is machine to machine?

- A. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention
- B. Extracts information from data and uses it to predict future trends and identify behavioral patterns
- C. Refers to devices that connect directly to other devices
- D. Opportunities to change the way people purchase books

Machine to machine (M2M), which refers to devices that connect directly to other devices.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

172. What is predictive analytics?

- A. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention
- B. Extracts information from data and uses it to predict future trends and identify behavioral patterns**
- C. Refers to devices that connect directly to other devices
- D. Opportunities to change the way people purchase books

Predictive analytics, which extracts information from data and uses it to predict future trends and identify behavioral patterns.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

173. What is the science of fact-based decision making?

- A. Business intelligence
- B. Information
- C. Knowledge
- D. Analytics**

Analytics is the science of fact-based decision making.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

174. A big part of business intelligence, _____ extracts information from data and uses it to predict future trends and identify behavioral patterns.

- A. behavioral analytics
- B. predictive analytics**
- C. knowledge workers
- D. snapshot

A big part of business intelligence is called predictive analytics, which extracts information from data and uses it to predict future trends and identify behavioral patterns.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence,

and knowledge.
Topic: Competing in the Information Age

175. What uses data about people's behaviors to understand intent and predict future actions?

- A.** Behavioral analytics
- B. Predictive analytics
- C. Knowledge workers
- D. Snapshot

Behavioral analytics uses data about people's behaviors to understand intent and predict future actions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

176. What data is created by a machine without human intervention?

- A. Human-generated
- B.** Machine-generated
- C. Machine-to-machine (M2M)
- D. Unstructured data

Machine-generated data is created by a machine without human intervention.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

177. What data is data that humans, in interaction with computers, generate?

- A.** Human-generated
- B. Machine-generated
- C. Machine-to-machine (M2M)
- D. Static report

Human-generated data is data that humans, in interaction with computers, generate.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

178. What type of structured data includes sensor data, point-of-sale data, and Web log data?

- A. Human-generated
- B. Machine-generated**
- C. Machine-to-machine (M2M)
- D. Systems thinking

Machine-generated data includes sensor data, point-of-sale data, and Web log data generate.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

179. What type of structured data includes input data, clickstream data, or gaming data?

- A. Human-generated**
- B. Machine-generated
- C. Machine-to-machine (M2M)
- D. Systems thinking

Human-generated data includes input data, clickstream data, or gaming data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

180. Which of the following describes structured data?

- A. A defined length, type, and format
- B. Includes numbers, dates, or strings such as customer address
- C. Is typically stored in a relational database or spreadsheet
- D. All of these choices**

Structured data has a defined length, type and format and includes numbers, dates, or strings such as customer address. Structured data is typically stored in a traditional system such as a relational database or spreadsheet.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

181. What refers to devices that connect directly to other devices?

- A. Human-generated
- B. Machine-generated
- C. Machine-to-machine (M2M)**
- D. Systems thinking

Machine to machine (M2M) refers to devices that connect directly to other devices.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

182. What are the characteristics of unstructured data?

- A. Does not follow a specified format
- B. Free-form text
- C. Emails, twitter tweets, and text messages
- D. All of these choices**

Unstructured data does not follow a specified format and is typically free-form text such as emails, Twitter tweets, and text messages.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Analyze

Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

183. Which of the following does not describe unstructured data?

- A. Does not follow a specified format
- B. A defined length, type, and format**
- C. Free-form text
- D. Emails, Twitter tweets, and text messages

Unstructured data does not follow a specified format and is typically free-form text such as emails, Twitter tweets, and text messages.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

184. Which of the following does not describe structured data?

- A. A defined length
- B. Emails, twitter tweets, and text messages are examples of structured data**
- C. Is typically stored in a relational database or spreadsheet
- D. A defined format

Structured data has a defined length, type and format and includes numbers, dates, or strings such as customer address. Structured data is typically stored in a traditional system such as a relational database or spreadsheet.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

185. What is a snapshot?

- A. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention
 - B. A view of data at a particular moment in time**
 - C. Refers to devices that connect directly to other devices
 - D. Opportunities to change the way people purchase books
- A snapshot is a view of data at a particular moment in time.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

186. What is a view of data at a particular moment in time?

- A. Knowledge
 - B. Big data
 - C. Snapshot**
 - D. Unstructured data
- A snapshot is a view of data at a particular moment in time.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence,

and knowledge.
Topic: Competing in the Information Age

187. What is a collection of large complex data sets that cannot be analyzed using traditional database methods and tools?

- A. Knowledge
- B. Big data**
- C. Snapshot
- D. Internet of Things

Big data is a collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

188. What is a report?

- A. A document containing data organized in a table, matrix, or graphical format allowing users to easily comprehend and understand information**
- B. A collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools
- C. A view of data at a particular moment in time
- D. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention

A report is a document containing data organized in a table, matrix, or graphical format allowing users to easily comprehend and understand information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.
Topic: Competing in the Information Age

189. What is big data?

- A. A document containing data organized in a table, matrix, or graphical format allowing users to easily comprehend and understand information
- B.** A collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools
- C. A view of data at a particular moment in time
- D. A world where interconnected, Internet-enabled devices or "things" can collect and share data without human intervention

A collection of large complex data sets, including structured and unstructured, which cannot be analyzed using traditional database methods and tools.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

190. What type of report is created based on data that does not change?

- A.** Static report
- B. Dynamic report
- C. Variable report
- D. Structured report

A static report is created based on data that does not change.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

191. What type of report changes automatically during creation?

- A. Static report
- B.** Dynamic report
- C. Variable report
- D. Structured report

A dynamic report changes automatically during creation.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

192. What type of report can include a sales report from last year or salary report from five years ago?

- A.** Static report
- B. Dynamic report
- C. Variable report
- D. Structured report

A static report is created based on data that does not change. Static reports can include a sales report from last year or salary report from five years ago.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

193. What type of report can include updating daily stock market prices or the calculation of available inventory?

- A. Static report
- B.** Dynamic report
- C. Variable report
- D. Structured report

A dynamic report changes automatically during creation. Dynamic reports can include updating daily stock market prices or the calculation of available inventory.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

194. How are the majority of companies today typically organized?

- A.** By departments or functional areas
- B. By departments or financial areas
- C. By degree or financial areas
- D. By manager or knowledge areas

Companies today are typically organized by departments or functional areas.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy
Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

195. How does the text recommend that a company operate if it wants to be successful in the information age?

- A. Functionally independent between departments
- B. Interdependently between departments**
- C. Together as one department with little or no independence
- D. Each department acting as its own individual business unit

For companies to operate as a whole and be successful in our current business environment today, they must operate interdependently between departments.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

196. Most companies are typically organized by departments or functional areas. Which of the following is not a common department found in a company?

- A. Accounting
- B. Payroll**
- C. Marketing
- D. Human Resources

Payroll is part of the Accounting department.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.
Topic: The Challenge: Departmental Companies

197. The Sales department needs to rely on information from operations to understand _____.

- A. Inventory
- B. Customer orders
- C. Demand forecasts
- D. All of these choices**

Sales needs to rely on information from operations to understand inventory, place orders, and forecast consumer demand.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

198. Which of the following represents the department that maintains policies, plans, and procedures for the effective management of employees?

- A. Human Resources**
- B. Sales
- C. Employee Resources
- D. Employee Relations

Human Resources maintains policies, plans, and procedures for the effective management of employees.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

199. Greg works for Geneva Steel Corporation. Greg's duties include managing the overall processes for the company and transforming the steel resources into goods. Which department would Greg most likely work in?

- A. Accounting
- B. Operations Management**
- C. Marketing
- D. CIO

Operations Management manages the process of converting or transforming of resources into goods or services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

200. Information technology can enable departments to more efficiently and effectively perform their core _____.

- A. Facts
- B. Feedback mechanisms
- C. Business operations**
- D. Media issues

Information technology can enable departments to more efficiently and effectively perform their business operations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

201. The department within a company that records, measures, and reports monetary transactions is called _____.

- A. Accounting**
- B. Marketing
- C. Human Resources
- D. Operations Management

The department within a company that records, measures, and reports monetary transactions is Accounting.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

202. The department within a company that performs the function of selling goods or services is called _____.

- A. Marketing
- B. Sales**
- C. Finance
- D. Operations Management

The department with a company that performs the function of selling goods or services is Sales.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

203. The department within a company that supports the sales by planning, pricing, and promoting goods or services is called _____.

- A. Sales
- B. Operations Management
- C. Accounting
- D. Marketing**

The Marketing department with a company that supports the sales by planning, pricing, and promoting goods or services is marketing.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

204. Which department tracks strategic financial issues, including money, banking, credit, investments, and assets?

- A. Sales
- B. Operations Management
- C. Accounting
- D. Finance**

The Finance department tracks strategic financial issues, including money, banking, credit, investments, and assets.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

205. Which department manages the process of converting or transforming resources into goods or services?

- A. Sales
- B. Operations Management**
- C. Accounting
- D. Finance

The Operations Management department manages the process of converting or transforming resources into goods or services.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

206. Which department records, measures, and reports monetary transactions?

- A. Sales
- B. Operations Management
- C. Accounting**
- D. Finance

Accounting records, measures, and reports monetary transactions.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

207. Which department maintains policies, plans, and procedures for the effective management of employees?

- A. Sales
- B. Operations Management
- C. Accounting
- D. Human Resources**

The human resources department maintains policies, plans, and procedures for the effective management of employees.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

208. Which activities belong in the Accounting department?

- A.** Records, measures, and reports monetary transactions
- B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Relies on information from operations to understand inventory, place orders, and forecast consumer demand

Accounting records, measures, and reports monetary transactions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

209. Which activities belong in the Finance department?

- A. Records, measures, and reports monetary transactions
- B.** Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Relies on information from operations to understand inventory, place orders, and forecast consumer demand

The Finance department tracks strategic financial issues, including money, banking, credit, investments, and assets.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

210. Which activities belong in the Marketing department?

- A. Records, measures, and reports monetary transactions
- B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Relies on information from operations to understand inventory, place orders, and forecast consumer demand

The Marketing department with a company that supports the sales by planning, pricing, and promoting goods or services is marketing.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

211. Which activities belong in the Sales department?

- A. Records, measures, and reports monetary transactions
- B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
- C. Supports the sales by planning, pricing, and promoting goods or services is marketing
- D. Relies on information from operations to understand inventory, place orders, and forecast consumer demand

Sales needs to rely on information from operations to understand inventory, place orders, and forecast consumer demand.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

212. Which activities belong in the Human Resources department?

- A. Records, measures, and reports monetary transactions
 - B. Tracks strategic financial issues, including money, banking, credit, investments, and assets
 - C. Supports the sales by planning, pricing, and promoting goods or services is marketing
 - D. Maintains policies, plans, and procedures for the effective management of employees
- Human Resources maintains policies, plans, and procedures for the effective management of employees.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve

success.

Topic: The Challenge: Departmental Companies

213. Which activities belong in the Operations Management department?

- A. Records, measures, and reports monetary transactions
 - B. Manages the process of converting or transforming resources into goods or services**
 - C. Supports the sales by planning, pricing, and promoting goods or services is marketing
 - D. Maintains policies, plans, and procedures for the effective management of employees
- Operations Management manages the process of converting or transforming resources into goods or services.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

214. Which data types are typically found in the Marketing department?

- A. Promotion data, sales data, advertising data**
 - B. Employee data, promotion data, vacation data
 - C. Investment data, monetary data, reporting data
 - D. Transactional data, purchasing data, payroll data, tax data
- The Marketing department includes promotion data, sales data, and advertising data.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

215. Which data types are typically found in the Human Resources department?

- A. Promotion data, sales data, advertising data
 - B. Employee data, promotion data, vacation data**
 - C. Investment data, monetary data, reporting data
 - D. Transactional data, purchasing data, payroll data, tax data
- The Human Resources department includes employee data, promotion data, and vacation data.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve

216. Which data types are typically found in the Finance department?

- A. Promotion data, sales data, advertising data
- B. Employee data, promotion data, vacation data
- C.** Investment data, monetary data, reporting data
- D. Transactional data, purchasing data, payroll data, tax data

The Finance department includes investment data, monetary data, and reporting data.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

217. Which data types are typically found in the Accounting department?

- A. Promotion data, sales data, advertising data
- B. Employee data, promotion data, vacation data
- C. Investment data, monetary data, reporting data
- D.** Transactional data, purchasing data, payroll data, tax data

The Accounting department includes transactional data, purchasing data, payroll data, and tax data.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

218. Which data types are typically found in the Sales department?

- A.** Sales data, customer data, commission data, and customer support data
- B. Employee data, promotion data, vacation data
- C. Investment data, monetary data, reporting data
- D. Transactional data, purchasing data, payroll data, tax data

The Sales department has sales data, customer data, commission data, and customer support data.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve

success.

Topic: The Challenge: Departmental Companies

219. Which data types are typically found in the Operations Management department?

- A. Manufacturing data, distribution data, and production data
- B. Sales data, customer data, commission data, and customer support data
- C. Employee data, promotion data, vacation data
- D. Investment data, monetary data, reporting data

The Operations Management department has manufacturing data, distribution data, and production data.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

220. Which of the following represents the relationship between functional areas in a business?

- A. Independent
- B. Autonomous
- C. Interdependent
- D. Self-sufficient

Functional areas are interdependent.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

221. Which of the following represents the types of data commonly found in the accounting department?

- A. Tax data
- B. Payroll data
- C. Transactional data
- D. All of these choices

Tax, payroll and transactional data are all found in the Accounting department.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve

success.

Topic: The Challenge: Departmental Companies

222. Which of the following represents the types of data commonly found in the Finance department?

- A.** Monetary data
- B. Technology data
- C. Production data
- D. Employee data

Monetary data is most commonly found in the Finance department.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

223. Which of the following represents the types of data commonly found in the Human Resource department?

- A. Financial data
- B. Technology data
- C. Production data
- D.** Employee data

Employee data is most commonly found in the Human Resource department.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

224. Which of the following represents the types of data commonly found in the Sales department?

- A. Customer data
- B. Sales report data
- C. Commission data
- D.** All of these choices

All data types are found in the Sales department.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

225. Which of the following represents the types of data commonly found in the Marketing department?

- A. Promotional data
- B. Payroll data
- C. Tax data
- D. Employee data

Promotional data is most commonly found in the Marketing department.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

226. Which of the following represents the types of data commonly found in the Operations Management department?

- A. Monetary data
- B. Payroll data
- C. Production data
- D. Employee data

Production data is most commonly found in the Operations Management department.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

227. Who is responsible for collecting, maintaining, and distributing company knowledge?

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

The CKO is responsible for collecting, maintaining, and distributing company knowledge.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

228. Who is responsible for ensuring the ethical and legal use of information within a company?

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)**
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

The CPO is responsible for ensuring the ethical and legal use of information within a company.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

229. Who is responsible for ensuring the speed, accuracy, availability, and reliability of the management information systems?

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief technology officer (CTO)**
- D. Chief information officer (CIO)

The CTO is responsible for ensuring the speed, accuracy, availability, and reliability of the management information systems.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

230. Who is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives?

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)**

The CIO is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

231. Who is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses?

- A. Chief knowledge officer (CKO)
- B. Chief security office (CSO)**
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

The CSO is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

232. Trina Hauger works for Johnson Electric as a corporate lawyer, and part of her duties are to ensure the ethical and legal use of information within the company. Which of the following represents Trina's role at Johnson Electric?

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)**
- C. Chief technology officer (CTO)
- D. Chief information officer (CIO)

The CPO is responsible for ensuring the ethical and legal use of information within a company.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

233. The challenge that companies today sometimes have is that they are departmentalized and act independently of each other. One solution that can help a company work _____ includes management information systems.

- A. variables
- B. human resource data
- C. interdepartmentally**
- D. resource information systems

Management information systems are a business function, like accounting and human resources, which moves information about people, products, and processes across the company to facilitate decision-making and problem-solving.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

234. Susan Stewart is an executive at Equity Title where she is responsible for collecting, maintaining, and distributing knowledge for the company. What is Susan's role at Equity Title?

- A. Chief knowledge officer (CKO)**
- B. Chief technology officer (CTO)
- C. Chief information officer (CIO)
- D. Chief security officer (CSO)

The chief knowledge officer (CKO) is responsible for collecting, maintaining, and distributing company knowledge.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

235. What is the primary responsibility of the CTO?

- A. Overseeing all uses of MIS
- B. Ensuring the security of business systems
- C. Ensuring speed, accuracy, and reliability for MIS**
- D. Collecting and distributing company information

The chief technology officer is responsible for ensuring the speed, accuracy, availability, and reliability for MIS.

AACSB: Reflective Thinking
AACSB: Technology

Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

236. Jeremy Bridges is an executive for Green Web Designs, where his primary role is to ensure the security of business systems and develop strategies to protect the company from online viruses and hackers. What is Jeremy's role within the company?

- A. Chief executive officer (CEO)
- B. Chief security officer (CSO)**
- C. Chief procurement officer (CPO)
- D. Chief technology officer (CTO)

The chief security officer is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

237. Which role within a company is responsible for overseeing all uses of MIS and ensuring that MIS strategic aligns with business goals and objectives?

- A. Chief knowledge officer (CKO)
- B. Chief privacy officer (CPO)
- C. Chief information officer (CIO)**
- D. Chief security officer (CSO)

The chief information officer (CIO) is responsible for (1) overseeing all uses of MIS and (2) ensuring that MIS strategic aligns with business goals and objectives.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

238. Recently, 150 of the Fortune 500 companies added this position to their list of senior executives.

- A. Chief technology officer (CTO)
- B. Chief data officer (CDO)
- C. Chief privacy officer (CPO)**
- D. Chief knowledge officer (CKO)

Recently, 150 of the Fortune 500 companies added the CPO position to their list of senior executives.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

239. Who is responsible for ensuring the speed, accuracy, availability, and reliability of the MIS?

- A. Chief technology officer (CTO)**
- B. Chief security officer (CSO)
- C. Chief privacy officer (CPO)
- D. Chief data officer (CDO)

The CTO is responsible for ensuring the speed, accuracy, availability, and reliability of the MIS.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

240. Who is responsible for determining the types of information the enterprise will capture, retain, analyze, and share?

- A. Chief information officer (CIO)
- B. Chief security officer (CSO)
- C. Chief data officer (CDO)**
- D. Chief knowledge officer (CKO)

The CDO is responsible for determining the types of information the enterprise will capture, retain, analyze, and share.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve

success.

Topic: The Challenge: Departmental Companies

241. Which of the following includes the roles and responsibilities of the CTO?

- A. Ensuring the speed, accuracy, availability, and reliability of the MIS
 - B. Ensuring the ethical and legal use of information within a company
 - C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
 - D. Ensuring that MIS strategically aligns with business goals and objectives
- The CTO is responsible for ensuring the speed, accuracy, availability, and reliability of the MIS.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: MIS Roles and Responsibilities

Topic: The Challenge: Departmental Companies

242. Which of the following includes the roles and responsibilities of the CIO?

- A. Ensuring the speed, accuracy, availability, and reliability of the MIS
 - B. Ensuring the ethical and legal use of information within a company
 - C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
 - D. Ensuring that MIS strategically aligns with business goals and objectives
- The CIO is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

243. Which of the following includes the roles and responsibilities of the CPO?

- A. Ensuring the speed, accuracy, availability, and reliability of the MIS
 - B. Ensuring the ethical and legal use of information within a company
 - C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
 - D. Ensuring that MIS strategically aligns with business goals and objectives
- The CPO is responsible for ensuring the ethical and legal use of information within a company.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

244. Which of the following includes the roles and responsibilities of the CSO?

- A. Ensuring the speed, accuracy, availability, and reliability of the MIS
 - B. Ensuring the ethical and legal use of information within a company
 - C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses**
 - D. Ensuring that MIS strategically aligns with business goals and objectives
- The CSO is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

245. Which of the following includes the roles and responsibilities of the CDO?

- A. Determining the types of information the enterprise will capture, retain, analyze, and share**
 - B. Ensuring the ethical and legal use of information within a company
 - C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
 - D. Ensuring that MIS strategically aligns with business goals and objectives
- The CDO is responsible for determining the types of information the enterprise will capture, retain, analyze, and share.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

246. Which of the following includes the roles and responsibilities of the CKO?

- A. Determining the types of information the enterprise will capture, retain, analyze, and share
- B. Collecting, maintaining, and distributing company knowledge**
- C. Ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses
- D. Ensuring that MIS strategically aligns with business goals and objectives

The CKO is responsible for collecting, maintaining, and distributing company knowledge.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

247. According to Fast Company magazine, which of the following executive levels might we see created over the next decade?

- A. Chief intellectual property officer
- B. Chief automation officer
- C. Chief user experience officer
- D. All of these choices**

According to Fast Company magazine, chief intellectual property officer, chief automation officer, and chief user experience officer are a few executive levels we might see created over the next decade.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

248. According to Fast Company magazine, chief intellectual property officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

- A. Manage and defend intellectual property, copy-rights and patents**
 - B. Determines if a person or business process can be replaced by a robot or software
 - C. Create the optimal relationship between user and technology
 - D. Ensure the ethical and legal use of information within an organization
- The chief intellectual property officer will manage and defend intellectual property, copyrights, and patents. The world of intellectual property law is vast and complicated as new innovations continually enter the market.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

249. According to Fast Company magazine, chief automation officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

- A. Manage and defend intellectual property, copy-rights and patents
- B. Determines if a person or business process can be replaced by a robot or software**
- C. Create the optimal relationship between user and technology
- D. Ensure the ethical and legal use of information within an organization

The chief automation officer determines if a person or business process can be replaced by a robot or software. As we continue to automate jobs a member of the core leadership team of the future will be put in charge of identifying opportunities for companies to become more competitive through automation.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

250. According to Fast Company magazine, chief user experience officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

- A. Manage and defend intellectual property, copy-rights and patents
- B. Determines if a person or business process can be replaced by a robot or software
- C. Create the optimal relationship between user and technology**
- D. Ensure the ethical and legal use of information within an organization

Chief user experience officer will create the optimal relationship between user and technology. User experience used to be an afterthought for hardware and software designers.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

251. Jason Charney is the CIO of Zapp Industries. Which of the following does not describe his primary responsibilities?

- A.** Manage and defend intellectual property, copyrights and patents
- B. Oversee all the uses of information technology
- C. Ensure the strategic alignment of MIS with business goals and objectives
- D. Have tremendous insight into the capabilities of MIS

The chief information officer (CIO) is responsible for (1) overseeing all uses of information technology and (2) ensuring the strategic alignment of MIS with business goals and objectives. CIOs must possess a solid and detailed understanding of every aspect of an organization coupled with tremendous insight into the capability of MIS.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

252. Which of the following is not a broad function of a CIO?

- A. Manager
- B.** Follower
- C. Communicator
- D. Leader

Broad functions of a CIO include manager, leader, and communicator.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

253. Jason Charney is the CIO of Zapp Industries. Which of the following is among his primary responsibilities?

- A.** Advocate and communicate the MIS strategy by building and maintaining strong executive relationships
- B. Determine the types of information the enterprise will capture, retain, analyze, and share
- C. Ensure the efficiency of MIS systems throughout the organization
- D. Develop MIS safeguards against attacks from hackers and viruses

Being a communicator is a broad function of a CIO; the CIO must advocate and communicate the MIS strategy by building and maintaining strong executive relationships.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

254. What is the difference between the CIO and CDO of an organization?

- A. The CIO is responsible for the data, regardless of the information system; the CDO is responsible for the information systems through which data is stored and processed.
 - B. The CIO is responsible for the information systems through which data is stored and processed; the CDO is responsible for the data, regardless of the information system.**
 - C. The CIO is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organizations information technology; the CDO is responsible for determining the types of information the enterprise will capture, retain, analyze, and share.
 - D. The CIO is responsible for determining the types of information the enterprise will capture, retain, analyze, and share; the CDO is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organizations information technology.
- The CIO is responsible for the information systems through which data is stored and processed; the CDO is responsible for the data, regardless of the information system.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

255. What is the difference between existing MIS workplace knowledge and the knowledge required to fulfill business goals and strategies?

- A. Off-site training
 - B. MIS skills gap**
 - C. Social recruiting
 - D. Information security
- This is the definition of MIS skills gap.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

256. Which of the following is a common approach to closing an MIS skills gap?

- A. Social recruiting
- B. Off-site training
- C. Mentoring services
- D. All of these choices**

Common approaches to closing an MIS skills gap include social recruiting, off-site training, mentoring services, and partnerships with universities.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

257. Which of the following is not a common approach to closing an MIS skills gap?

- A. Social recruiting
- B. Off-site training
- C. Competitive salary**
- D. Mentoring services

Common approaches to closing an MIS skills gap include social recruiting, off-site training, mentoring services, and partnerships with universities.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

258. In recruiting lingo, what are perfect MIS candidates sometimes called?

- A. Turquoise turtles
- B. Red rabbits
- C. Purple squirrels**
- D. White unicorns

Purple squirrels. Squirrels in the real world are not purple-recruiters use this term to imply that finding the perfect job candidate with exactly the right qualifications, education, and salary expectations can be a daunting task.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

259. What first-ever national appointment was made by President Barack Obama?

- A. National Chief Security Officer
- B. National Chief Privacy Officer
- C. National Chief Technology Officer**
- D. All of these choices

President Barack Obama appointed the first-ever National Chief Technology Officer.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

260. Eric Eberly holds an executive position at Parker Industries. He has designed and implemented a system to collect, maintain, and share information across the many departments of Parker Industries. He's also instilled an updating protocol requiring department heads to keep the system up-to-date. Based on this description, what position does Eric hold?

- A. Chief information officer (CIO)
- B. Chief security officer (CSO)
- C. Chief data officer (CDO)
- D. Chief knowledge officer (CKO)**

Based on this description, Eric is the chief knowledge officer (CKO) at Parker Industries.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

261. Cody Osterman holds an executive position at Trek Enterprises. His role is the newest senior executive position at the organization. He has advised the company on privacy procedures and processes, and has initiated a training program for employees about the privacy policy, customer confidentiality, and data security. Based on this description, what position does Cody hold at Trek Enterprises?

- A. Chief information officer (CIO)
- B. Chief security officer (CSO)
- C. Chief data officer (CDO)
- D. Chief privacy officer (CPO)**

Based on this description, Cody is the chief privacy officer (CPO) at Trek Enterprises.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

262. Sara McGuire holds an executive position at Henry Commerce. She is a big-picture thinker, and makes sure the technology strategy at Henry Commerce serves its business strategy. She has a well-rounded knowledge of MIS and her primary responsibilities include the efficiency of Henry Commerce's MIS systems. Based on this description, what position does Sara hold?

- A. Chief information officer (CIO)
- B. Chief technology officer (CTO)**
- C. Chief data officer (CDO)
- D. Chief privacy officer (CPO)

Based on this description, Sara is the chief technology officer (CTO) of Henry Commerce.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

263. Adam Nation holds an executive position at PH Corporation. He has an extensive understanding of networks and telecommunications. Adam is aware of the information-technology threats the company faces, and institutes security protocols and safeguards to secure the MIS systems at PH Corporation. Based on this description, what position does Adam hold?

- A. Chief security officer (CSO)
- B. Chief technology officer (CTO)
- C. Chief data officer (CDO)
- D. Chief privacy officer (CPO)

Based on this description, Adam is the Chief security officer (CSO) of PH Corporation.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

264. Jim Coleman holds an executive position at Keck-Howes Group. Jim has improved the quality of the data gathered by the organization, and has also created a model to decrease the cost of managing data while increasing the value of the data gathered. Based on this description, what position does Jim hold at Keck-Howes Group?

- A. Chief security officer (CSO)
- B. Chief technology officer (CTO)
- C. Chief data officer (CDO)
- D. Chief privacy officer (CPO)

Based on this description, Jim is the chief data officer (CDO) of Keck-Howes Group.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

265. Feedback is information that returns to its original transmitter and modifies the transmitter's actions. What would the original transmitter include?

- A. Input, transform, output
- B. Input, transform, outnumber
- C. Output, input, performer
- D. Input, process, transform

Feedback is information that returns to its original transmitter and modifies the transmitter's actions. The original transmitter includes input - transform - output.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

266. MIS is a business function. Which of the following does MIS perform to help aid the company in decision making and problem solving?

- A. Moves information about people
- B. Moves processes across the company to improve systems
- C. Moves information about products
- D. All of these choices**

MIS is a business function, which moves information about people, products, and processes across the company to facilitate decision making and problem solving.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

267. In terms of system thinking, what is data entered in a computer?

- A. Input**
- B. Output
- C. Process
- D. Feedback

Input is data entered in a computer.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

268. In terms of system thinking, what controls to ensure correct processes?

- A. Input
- B. Output
- C. Process
- D. Feedback**

Feedback is the controls that ensures correct processing.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

269. In terms of system thinking, what is the resulting information from the computer program?

- A. Input
- B. Output**
- C. Process
- D. Feedback

Output is the resulting information from the computer program.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

270. In terms of system thinking, what is the computer program that processes the data?

- A. Input
- B. Output**
- C. Process
- D. Feedback

Process is the computer program that processes the data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

271. In terms of system thinking, what is input?

- A. Data entered in a computer**
- B. Controls to ensure correct processes
- C. The resulting information from the computer program
- D. The computer program that processes the data

Input is data entered in a computer.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

272. In terms of system thinking, what is output?

- A. Data entered in a computer
 - B. Controls to ensure correct processes
 - C.** The resulting information from the computer program
 - D. The computer program that processes the data
- Output is the resulting information from the computer program.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

273. In terms of system thinking, what is feedback?

- A. Data entered in a computer
 - B.** Controls to ensure correct processes
 - C. The resulting information from the computer program
 - D. The computer program that processes the data
- Feedback is controls to ensure correct processes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

274. In terms of system thinking, what is process?

- A. Data entered in a computer
 - B. Controls to ensure correct processes
 - C. The resulting information from the computer program
 - D.** The computer program that processes the data
- Process is the computer program that processes the data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

275. A system is a collection of parts that link to achieve a common purpose. Systems thinking is a way of monitoring _____.

- A. the entire system
- B. a division within the sales role
- C. the executive team
- D. the company's competitors

A system is a collection of parts that link to achieve a common purpose, where systems thinking is a way of monitoring the entire system by viewing multiple inputs being processed or transformed to produce outputs while continuously gathering feedback on each part.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

276. MIS can be an important enabler of business success and innovation. Which of the below statements is accurate when referring to MIS?

- A. MIS equals business success and innovation.
- B. MIS represents business success and innovation.
- C. MIS is not a valuable tool that leverages talent.
- D. MIS is a valuable tool that can leverage the talents of people who know how to use and manage it effectively.

MIS does not mean that equal, or represent business success and innovation. It is a valuable tool that can leverage the talents of people who know how to use and manage it effectively.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

277. What is a way of monitoring the entire system in a company, by viewing the multiple inputs being processed to produce outputs?

- A. Feedback thinking
- B. Systems thinking**
- C. Output management
- D. Operational thinking

Systems thinking is a way of monitoring the entire system by viewing multiple inputs being processed or transformed to produce outputs while continuously gathering feedback on each part.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

278. Which of the following statements is true?

- A. MIS equals business success.
 - B. MIS equals business innovation.
 - C. MIS represents business success and innovation.
 - D. MIS enables business success and innovation.**
- MIS is an important enabler of business success and innovation.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

279. What is the name of a company's internal computer department?

- A. Management information systems (MIS)
- B. Information systems (IS)
- C. Information technology (IT)
- D. All of these choices**

Typical organizations have an internal MIS department often called Information Technology (IT), Information Systems (IS), or Management Information Systems (MIS).

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

280. What are material items or products that customer's will buy to satisfy a want or need?

- A.** Goods
- B. Services
- C. Production
- D. Productivity

Goods are material items or products that customer's will buy to satisfy a want or need.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

281. What are tasks performed by people that customer's will buy to satisfy a want or need?

- A. Goods
- B.** Services
- C. Production
- D. Productivity

Services are tasks performed by people that customer's will buy to satisfy a want or need.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

282. What is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services?

- A. Goods
- B. Services
- C.** Production
- D. Productivity

Production is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

283. What is the rate at which goods and services are produced based upon total output given total inputs?

- A. Goods
- B. Services
- C. Production
- D. Productivity**

Productivity is the rate at which goods and services are produced based upon total output given total inputs.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

284. What are goods?

- A. Material items or products that customer's will buy to satisfy a want or need**
- B. Tasks performed by people that customer's will buy to satisfy a want or need
- C. The process where a business takes raw materials and processes them or converts them into a finished product for its goods or services
- D. The rate at which goods and services are produced based upon total output given total inputs

Goods are material items or products that customer's will buy to satisfy a want or need.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

285. What are services?

- A. Material items or products that customer's will buy to satisfy a want or need
- B. Tasks performed by people that customer's will buy to satisfy a want or need**
- C. The process where a business takes raw materials and processes them or converts them into a finished product for its goods or services
- D. The rate at which goods and services are produced based upon total output given total inputs

Services are tasks performed by people that customer's will buy to satisfy a want or need.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

286. What is production?

- A. Material items or products that customer's will buy to satisfy a want or need
- B. Tasks performed by people that customer's will buy to satisfy a want or need
- C.** The process where a business takes raw materials and processes them or converts them into a finished product for its goods or services
- D. The rate at which goods and services are produced based upon total output given total inputs

Production is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

287. What is productivity?

- A. Material items or products that customer's will buy to satisfy a want or need
- B. Tasks performed by people that customer's will buy to satisfy a want or need
- C. The process where a business takes raw materials and processes them or converts them into a finished product for its goods or services
- D.** The rate at which goods and services are produced based upon total output given total inputs

Productivity is the rate at which goods and services are produced based upon total output given total inputs.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

288. Cars, groceries, and clothing belong in which category?

- A.** Goods
- B. Services
- C. Production
- D. Productivity

Cars, groceries, and clothing belong in the goods category.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

289. Teaching, waiting tables, and cutting hair belong in which category?

- A. Goods
- B.** Services
- C. Production
- D. Productivity

Teaching, waiting tables, and cutting hair belong in the services category.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

290. Which of the following is considered a good?

- A. Cars
- B. Groceries
- C. Clothing
- D.** All of these choices

Cars, groceries, and clothing belong in the goods category.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

291. Which of the following is considered a service?

- A. Teaching
- B. Waiting tables
- C. Cutting hair
- D. All of these choices**

Teaching, waiting tables, and cutting hair belong in the services category.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

292. Which of the following is considered a good?

- A. Cars**
- B. Teaching
- C. Waiting tables
- D. All of these choices

Cars, groceries, and clothing belong in the goods category.

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

293. Which of the following is considered a service?

- A. Cars
- B. Groceries
- C. Cutting hair**
- D. All of these choices

Teaching, waiting tables, and cutting hair belong in the services category.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

294. Which of the following is considered a good?

- A.** Milk and eggs
- B. Managing a team
- C. Selling groceries
- D. All of these choices

Milk and eggs are groceries. Cars, groceries, and clothing belong in the goods category.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

295. Which of the following is considered a service?

- A. Selling groceries
- B. Managing a team
- C. Cutting hair
- D.** All of these choices

Selling groceries, managing a team, teaching, waiting tables, and cutting hair belong in the services category.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

296. The lettuce, tomatoes, patty, bun, and ketchup are included in which category of making a hamburger?

- A.** Input
- B. Process
- C. Output
- D. All of these choices

Lettuce, tomatoes, patty, bun, and ketchup are all included in the input category of making a hamburger.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

297. Cooking a patty and putting the ingredients together are included in which category of making a hamburger?

- A. Input
- B. Process**
- C. Output
- D. All of these choices

Cooking a patty and putting the ingredients together are all included in the process category of making a hamburger.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

298. The actual hamburger is included in which category of making a hamburger?

- A. Input
- B. Process
- C. Output**
- D. All of these choices

The hamburger is the output in the process of making a hamburger.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

299. Assume you are in the business of producing and selling hamburgers. If you could produce more hamburgers with the same input what would happen to your productivity and profits assuming the price of your hamburgers remains the same?

- A. Increase in productivity, decrease in profits
- B. Increase in productivity, increase in profits**
- C. Decrease in productivity, decrease in profits
- D. Decrease in productivity, increase in profits

If you could produce more hamburgers with the same input and the price of your hamburgers remains the same productivity would increase and profits would increase.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand

Difficulty: 3 Hard
Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.
Topic: The Solution: Management Information Systems

300. Assume you are in the business of producing and selling T-shirts. If you could produce more T-shirts with the same input what would happen to your productivity and profits assuming the price of your T-shirts remains the same?

- A. Increase in productivity, decrease in profits
- B. Increase in productivity, increase in profits**
- C. Decrease in productivity, decrease in profits
- D. Decrease in productivity, increase in profits

If you could produce more T-shirts with the same input and the price of your T-shirts remains the same productivity would increase and profits would increase.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.
Topic: The Solution: Management Information Systems

301. Assume you are in the business of producing and selling cars. If you could produce more cars with the same input what would happen to your productivity and profits assuming the price of your cars remains the same?

- A. Increase in productivity, decrease in profits
- B. Increase in productivity, increase in profits**
- C. Decrease in productivity, decrease in profits
- D. Decrease in productivity, increase in profits

If you could produce more cars with the same input and the price of your cars remains the same productivity would increase and profits would increase.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.
Topic: The Solution: Management Information Systems

302. Which four elements are included in systems thinking?

- A. Output, process, feedback, and accounting
- B. Process, output, operations, and accounting
- C. Input, process, output, and feedback**
- D. Input, output, sales, and feedback

The systems thinking process includes input, process, output, and feedback.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

303. MIS is a business function, like accounting or sales, which moves information about people, products, and processes across the company to facilitate decision making and problem solving. What does MIS stand for?

- A. Management information strategy
 - B. Management intelligence system
 - C. Management information system**
 - D. Management information strategist
- Management information systems.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

304. Shelby Black runs a very successful hair salon in downtown Los Angeles. One of Shelby's tasks is to input positive and negative customer reviews into her computer system. What type of information is Shelby gathering?

- A. Feedback**
- B. Processing
- C. Output management
- D. Sales processing

Feedback is information that returns to its original transmitter (input, transform, or output) and modifies the transmitter's actions.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business

305. Which of the following provides an accurate definition of systems thinking?

- A.** A way of monitoring the entire system by viewing multiple inputs being processed or transformed to produce outputs while continuously gathering feedback on each part
- B. A way of monitoring individual components including an input, the process, and an output, while continuously gathering feedback on the entire system
- C. A way of monitoring the entire system by viewing multiple inputs being processed or transformed to produce outputs while continuously gathering feedback on the entire system
- D. A way of monitoring singular parts of a system by viewing a single input that is processed or transformed to produce an entire system that is continuously monitored to gather feedback on each individual part

Systems thinking is a way of monitoring the entire system by viewing multiple inputs being processed or transformed to produce outputs while continuously gathering feedback on each part.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

306. If you were thinking about a washing machine as a system which of the following represents the inputs?

- A.** The dirty clothes, water, and detergent
 - B. The clean clothes
 - C. The wash and rinse cycle
 - D. The light indicating that the washer is off balance and has stopped
- The inputs for a washing machine include the dirty clothes, water, and detergent.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

307. If you were thinking about a washing machine as a system which of the following represents the process?

- A. The dirty clothes, water, and detergent
 - B. The clean clothes
 - C.** The wash and rinse cycle
 - D. The light indicating that the washer is off balance and has stopped
- The process for a washing machine includes the wash and rinse cycle.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

308. If you were thinking about a washing machine as a system which of the following represents the feedback?

- A. The dirty clothes, water, and detergent
 - B. The clean clothes
 - C. The wash and rinse cycle
 - D.** The light indicating that the washer is off balance and has stopped
- The feedback for a washing machine includes a light indicating that the washer is off balance and has stopped.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

309. If you were thinking about a washing machine as a system which of the following represents the outputs?

- A. The dirty clothes, water, and detergent
 - B.** The clean clothes
 - C. The wash and rinse cycle
 - D. The light indicating that the washer is off balance and has stopped
- The output for a washing machine includes clean clothes.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

310. If you were thinking about an oven as a system which of the following represents the input?

- A.** The uncooked food
 - B. The cooked food
 - C. A light indicating that the oven has reached the preheated temperature
 - D. The oven running at 350 degrees for 20 minutes
- The input for an oven includes the uncooked food.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

311. If you were thinking about an oven as a system which of the following represents the output?

- A. The uncooked food
 - B.** The cooked food
 - C. A light indicating that the oven has reached the preheated temperature
 - D. The oven running at 350 degrees for 20 minutes
- The output for an oven includes the cooked food.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

312. If you were thinking about an oven as a system which of the following represents the process?

- A. The uncooked food
 - B. The cooked food
 - C. A light indicating that the oven has reached the preheated temperature
 - D.** The oven running at 350 degrees for 20 minutes
- The process for an oven includes running at 350 degrees for 20 minutes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

313. If you were thinking about an oven as a system which of the following represents the feedback?

- A. The uncooked food
- B. The cooked food
- C. A light indicating that the oven has reached the preheated temperature**
- D. The oven running at 350 degrees for 20 minutes

The feedback for an oven includes a light indicating that the oven has reached the preheated temperature.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

314. If you were thinking about a home theater system which of the following represents the inputs?

- A. The DVD player, DVD movie, speakers, TV, and electricity**
 - B. Playing the movie including the audio through the speakers and the video on the TV
 - C. A message stating that the disk is dirty and cannot be played
 - D. Spinning the disk to play, pause, rewind, or fast forward
- A home theater system requires inputs of the DVD player, DVD movie, speakers, TV, and electricity.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

315. If you were thinking about a home theater system which of the following represents the outputs?

- A. The DVD player, DVD movie, speakers, TV, and electricity
 - B. Playing the movie including the audio through the speakers and the video on the TV**
 - C. A message stating that the disk is dirty and cannot be played
 - D. Spinning the disk to play, pause, rewind, or fast forward
- The output of a home theater system includes playing the movie including the audio through the speakers and the video on the TV.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

316. If you were thinking about a home theater system which of the following represents the process?

- A. The DVD player, DVD movie, speakers, TV, and electricity
- B. Playing the movie including the audio through the speakers and the video on the TV
- C. A message stating that the disk is dirty and cannot be played

D. Spinning the disk to play, pause, rewind, or fast forward

The process of a home theater system includes spinning the disk to play, pause, rewind, or fast forward.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

317. If you were thinking about a home theater system which of the following represents the feedback?

- A. The DVD player, DVD movie, speakers, TV, and electricity
- B. Playing the movie including the audio through the speakers and the video on the TV
- C.** A message stating that the disk is dirty and cannot be played
- D. Spinning the disk to play, pause, rewind, or fast forward

The feedback from a home theater system includes a message stating that the disk is dirty and cannot be played.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

318. Which of the following is not a typical way that a company would duplicate a competitive advantage?

- A. Acquiring the new technology
- B. Copying the business operations
- C. Hiring away key employees
- D. Carrying large product inventories**

Ways that companies duplicate competitive advantages include acquiring new technology, copying the business operations, and hiring away key employees.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

319. When a company is the first to market with a competitive advantage, this is called a first-mover advantage. All of the following companies were first-movers except _____.

- A. FedEx - online self-service software
- B. Apple - iPad
- C. Apple - iPod
- D. Microsoft - Bing search engine**

First-mover advantage is an advantage that occurs when a company can significantly increase its market share by being first with a competitive advantage. Google was first to market with search engine technology.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

320. A business strategy achieves a specific set of goals which include _____.

- A. Developing new products or services, attracting new competition
- B. Increasing costs, attracting new competition
- C. Attracting new customers, developing new products or services**
- D. All of these choices

A business strategy is a leadership plan that achieves a specific set of goals or objectives such as developing new products or services, entering new markets, increasing customer loyalty, attracting new customers, increasing sales, and decreasing costs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

321. Which of the following is a tool a manager can use to analyze competitive intelligence and identify competitive advantages?

- A.** The Three Generic Strategies
- B. The threat of substitute buyer power
- C. Differentiated costs
- D. Supplier loyalty

Managers utilize three common tools to analyze competitive intelligence and develop competitive advantages including: 1) the Five Forces model, 2) the Three Generic Strategies, and 3) value chain analysis.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

322. Identifying competitive advantages can be difficult and explains why they are typically _____.

- A.** temporary
- B. satisfactory
- C. terminated
- D. unsuccessful

Competitive advantages are typically temporary.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

323. Updating business strategies is a continuous undertaking as internal and external environments _____.

- A. become less competitive
- B. remain stagnant
- C. rapidly change**
- D. become more consistent

Updating business strategies is a continuous undertaking as internal and external environments rapidly change.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

324. Which of the following represents a reason why competitive advantages are typically temporary?

- A. The competitor will hire away your key employees.
- B. The competitor quickly seeks ways to duplicate your business operations.
- C. The competitor will purchase new technology.
- D. All of these choices**

Competitive advantages are typically temporary, because competitors often quickly seek ways to duplicate them by acquiring new technology, copying the business operations, and hiring away key employees.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

325. What is a competitive advantage?

- A. A product that an organization's customers place a lesser value on than similar offerings from a competitor
- B. A feature of a product or service on which customers place a lesser value than they do on similar offerings from a supplier
- C. A service that an organization's customers place a lesser value on than similar offerings from a supplier
- D. A feature of a product or service on which customers place a greater value than they do on similar offerings from competitors**

This is the definition of competitive advantage.

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Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

326. All of the following are common tools used in industry to analyze and develop competitive advantages, except _____.

- A. Five Forces Model
- B. Three Generic Strategies
- C. competitive analysis model**
- D. value chain analysis

A competitive analysis model is not discussed in this text.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

327. The process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed is the definition of _____.

- A. feedback
- B. information
- C. competitive intelligence**
- D. data

Competitive intelligence is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

328. What is a person or group that has an interest or concern in an organization?

- A.** Stakeholder
- B. Business strategy
- C. Supplier
- D. Partner

A stakeholder is a person or group that has an interest or concern in an organization.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

329. Which group of stakeholder's primary interests include reliable contracts, ethical materials handling, and responsible production?

- A.** Partners/suppliers
- B. Shareholders/investors
- C. Community
- D. Government

Partners/suppliers primary interest are in reliable contracts, ethical materials handling, and responsible production.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

330. Which group of stakeholder's primary interests include adhering to regulations/laws, increasing employment, and ethical taxation reporting?

- A. Partners/suppliers
- B. Shareholders/investors
- C. Community
- D.** Government

Government primary interests include adhere to regulations/laws, increase employment, and ethical taxation reporting.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

331. Which group of stakeholder's primary interests include maximizing profits, growing market share, and high return on investment?

A. Partners/suppliers
B. Shareholders/investors
C. Community
D. Government

Shareholders/investors primary interests include maximize profits, grow market share, and high return on investment.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

332. Which group of stakeholder's primary interests include exceptional customer service, high-quality products, and ethical dealings?

A. Partners/suppliers
B. Shareholders/investors
C. Community
D. Customers

Customers primary interests includes exceptional customer service, high-quality products, and ethical dealings.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

333. Which group of stakeholder's primary interests include fair compensation, job security, and ethical conduct/treatment?

A. Employees
B. Shareholders/investors
C. Community
D. Customers

Employees primary interests include fair compensation, job security, and ethical conduct/treatment.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

334. Which group of stakeholder's primary interests include professional associations, ethical recycling, and increasing employment?

- A. Employees
- B. Shareholders/investors
- C. Community**
- D. Customers

Community primary interests include professional associations, ethical recycling, and increasing employment.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

335. A _____ advantage features a product or service on which customers place a greater value than they do on similar offerings from competitors.

- A. competitive advantage**
- B. competitor advantage
- C. power advantage
- D. first-mover advantage

A competitive advantage features a product or service on which customers place a greater value than they do on similar offerings from competitors.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

336. Which of the following evaluates a project's position?

- A.** SWOT Analysis
 - B. The Five Forces Model
 - C. Value Chain Analysis
 - D. Three Generic Strategies
- A SWOT Analysis evaluates a project's position.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

337. What is a SWOT analysis?

- A.** Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies
 - B. Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry
 - C. Views a firm as a series of business processes, each of which adds value to the product or service
 - D. Generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service
- A SWOT Analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

338. What evaluates industry attractiveness?

- A. SWOT Analysis
 - B.** The Five Forces Model
 - C. Value Chain Analysis
 - D. Three Generic Strategies
- The Five Forces Model evaluates industry attractiveness.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT

339. What is Porter's Five Forces Model?

- A. Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies
- B.** Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry
- C. Views a firm as a series of business processes, each of which adds value to the product or service
- D. Generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service

The Five Forces Model analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.

AACSB: Reflective Thinking
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Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

340. What executes business strategy?

- A. SWOT Analysis
- B. The Five Forces Model
- C.** Value Chain Analysis
- D. Three Generic Strategies

The value chain analysis executes business strategy.

AACSB: Reflective Thinking
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Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

341. What is a value chain analysis?

- A. Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.
- B. Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry.
- C.** Views a firm as a series of business processes, each of which adds value to the product or service.
- D. Generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service.

Value chain analysis, which views a firm as a series of business processes, each of which adds value to the product or service.

AACSB: Reflective Thinking

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Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

342. Which strategy below helps an organization choose its business focus?

- A. SWOT Analysis
 - B. The Five Forces Model
 - C. Value Chain Analysis
 - D.** Three Generic Strategies
- The Three Generic Strategies chooses the business focus.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

343. What are Porter's Three Generic Strategies?

- A. Evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies
- B. Analyzes the competitive forces within the environment in which a company operates to assess the potential for profitability in an industry
- C. Views a firm as a series of business processes, each of which adds value to the product or service
- D. Generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service**

Porter's Three Generic Strategies are generic business strategies that are neither organization nor industry specific and can be applied to any business, product, or service.

AACSB: Reflective Thinking

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Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

344. What is included in a SWOT analysis?

- A. Strengths, weaknesses, organizations, and technology
 - B. Strengths, weaknesses, opportunities, and threats**
 - C. Success, willingness, opportunities, and technology
 - D. Success, weaknesses, organizations, and threats
- SWOT includes strengths, weaknesses, opportunities, and threats.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

345. Which of the following statements is correct when considering a SWOT analysis?

- A. Strengths and weaknesses originate inside an organization**
 - B. Opportunities and threats originate inside an organization
 - C. Strengths and threats originate inside an organization
 - D. Opportunities and weaknesses organization outside an organization
- Strengths and weaknesses originate inside an organization.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT

346. Which of the following statements is correct when considering a SWOT analysis?

- A. Strengths and weaknesses originate outside an organization
 - B. Opportunities and threats originate outside an organization**
 - C. Strengths and threats originate inside an organization
 - D. Opportunities and weaknesses organization outside an organization
- Opportunities and threats originate outside an organization.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

347. Which of the following are included as potential internal strengths in a SWOT analysis that are helpful to an organization?

- A. Core competencies, market leaders, cost advantages, excellent management**
 - B. Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated product line
 - C. Expanded product line, increase in demand, new markets, new regulations
 - D. New entrants, substitute products, shrinking markets, costly regulatory, requirements
- Internal strengths include core competencies, market leaders, cost advantages, excellent management.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

348. Which of the following are included as potential internal weaknesses in a SWOT analysis that are harmful to an organization?

- A. Core competencies, market leaders, cost advantages, excellent management
 - B. Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated product line**
 - C. Expanded product line, increase in demand, new markets, new regulations
 - D. New entrants, substitute products, shrinking markets, costly regulatory, requirements
- Internal weaknesses that are harmful to an organization include lack of strategic direction, obsolete technologies, lack of managerial talent, outdated and product line.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

349. Which of the following are included as potential external opportunities in a SWOT analysis that are helpful to an organization?

- A. Core competencies, market leaders, cost advantages, excellent management
 - B. Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated, product line
 - C.** Expanded product line, increase in demand, new markets, new regulations
 - D. New entrants, substitute products, shrinking markets, costly regulatory, requirements
- Potential external opportunities that are helpful include expanded product line, increase in demand, new markets, new regulations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

350. Which of the following are included as potential external weaknesses in a SWOT analysis that are harmful to an organization?

- A. Core competencies, market leaders, cost advantages, excellent management
 - B. Lack of strategic direction, obsolete technologies, lack of managerial talent, outdated, product line
 - C. Expanded product line, increase in demand, new markets, new regulations
 - D.** New entrants, substitute products, shrinking markets, costly regulatory, requirements
- External weaknesses that are harmful to an organization include new entrants, substitute products, shrinking markets, costly regulatory, requirements.

AACSB: Reflective Thinking
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Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

351. Where would you categorize strengths in a SWOT analysis?

- A.** Internal, helpful
 - B. Internal, harmful
 - C. External, helpful
 - D. External, harmful
- Strengths are internal and helpful.

AACSB: Reflective Thinking
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Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

352. Where would you categorize weaknesses in a SWOT analysis?

- A. Internal, helpful
 - B.** Internal, harmful
 - C. External, helpful
 - D. External, harmful
- Weaknesses are internal and harmful.

AACSB: Reflective Thinking
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Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

353. Where would you categorize opportunities in a SWOT analysis?

- A. Internal, helpful
 - B. Internal, harmful
 - C.** External, helpful
 - D. External, harmful
- Opportunities are external and helpful.

AACSB: Reflective Thinking
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Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

354. Where would you categorize threats in a SWOT analysis?

- A. Internal, helpful
- B. Internal, harmful
- C. External, helpful
- D. External, harmful**

Threats are external and harmful.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

355. Which of the following describes a stakeholder?

- A. A leadership plan that achieves a specific set of goals or objectives
 - B. A feature of a product or service on which customers place a greater value
 - C. A person or group that has an interest or concern in an organization**
 - D. Information about a competitive environment
- A stakeholder is a person or group that has an interest or concern in an organization.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

356. There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for customers?

- A. Exceptional customer service**
- B. Fair compensation
- C. Professional associations
- D. Reliable contracts

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Customers of an organization are generally concerned with exceptional customer service, high-quality products, and ethical dealing.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

357. There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for employees?

- A. Exceptional customer service
- B. Fair compensation**
- C. Professional associations
- D. Reliable contracts

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Employees of an organization are generally concerned with fair compensation, job security, and ethical conduct/treatment.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

358. There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for the community?

- A. Exceptional customer service
- B. Fair compensation
- C. Professional associations**
- D. Reliable contracts

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. The community around an organization is generally concerned with professional associations, ethical recycling, and increase in employment.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

359. There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for partners/suppliers?

- A. Exceptional customer service
- B. Fair compensation
- C. Professional associations
- D. Reliable contracts**

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Partners/suppliers of an organization are generally concerned with reliable contracts, ethical materials handling, and responsible production.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

360. There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for the government?

- A. Maximize profits
- B. Adhere to regulations/laws**
- C. Exceptional customer service
- D. Reliable contracts

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. The government is generally concerned that organizations adhere to regulations/laws, increase employment, and ethically report taxation.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

361. There are many different stakeholders found in an organization. Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Which of the following is a main concern for shareholders/investors?

- A.** Maximize profits
- B. Adhere to regulations/laws
- C. Exceptional customer service
- D. Reliable contracts

Stakeholders drive business strategies, and depending on the stakeholder's perspective, the business strategy can change. Shareholders/investors are generally concerned that organizations maximize profits, grow the market share, and have a high return on investment.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

362. There are many different stakeholders found in an organization with common business interests. Depending on the stakeholder's perspective, the business strategy can change. Which of the following is not a main concern for shareholders/investors?

- A. Maximize profits
- B. Grow market share
- C.** Job security
- D. High return on investment

Shareholders/investors are generally concerned that organizations maximize profits, grow the market share, and have a high return on investment. It is not uncommon to find stakeholders' business strategies have conflicting interests such as investors looking to increase profits by eliminating employee jobs.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

363. What does a SWOT analysis do?

- A. Evaluates an organizations strengths, weaknesses, objectives, and threats
- B. Evaluates an organization's strengths, weaknesses, opportunities, and threats**
- C. Evaluates an organization's supporters, weaknesses, opportunities, and technology
- D. Evaluates an organization's systems, warehouses, outputs, and technology

A SWOT analysis evaluates an organization's strengths, weaknesses, opportunities, and threats to identify significant influences that work for or against business strategies.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

364. In a SWOT analysis, strengths and weaknesses originate _____ an organization.

- A. inside (internally)
- B. outside (externally)**
- C. Both inside and outside
- D. None of these choices

Strengths and weaknesses originate inside an organization, or internally. Opportunities and threats originate outside an organization, or externally, and cannot always be anticipated or controlled.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

365. In a SWOT analysis, opportunities and threats originate _____ an organization.

- A. inside (internally)
- B. outside (externally)**
- C. Both inside and outside
- D. None of these choices

Strengths and weaknesses originate inside an organization, or internally. Opportunities and threats originate outside an organization, or externally, and cannot always be anticipated or controlled.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT

366. In a SWOT analysis, which of the following could you discover as potential internal strengths (helpful)?

A. Cost advantages
B. Damaged reputation
C. New markets
D. Competitor issues

Potential internal strengths (helpful) identify all key strengths associated with the competitive advantage, including cost advantages.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

367. In a SWOT analysis, which of the following could you discover as potential inner weaknesses (harmful)?

A. Cost advantages
B. Damaged reputation
C. New markets
D. Competitor issues

Potential internal weaknesses (harmful) identify all key areas that require improvement, including a damaged reputation.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.
Topic: Identifying Competitive Advantages

368. In a SWOT analysis, which of the following could you discover as potential external opportunities (helpful)?

A. Cost advantages
B. Damaged reputation
C. New markets
D. Improved marketing campaigns

Potential internal weaknesses (harmful) identify all significant trends along with how the organization can benefit from each, including new markets.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

369. Managers use four common tools to analyze competitive intelligence and develop competitive advantages. Which of the following is not one of these tools?

- A. The Three Generic Strategies
- B. The Five Forces Model
- C. First-mover advantage**
- D. SWOT analysis

Managers use four common tools to analyze competitive intelligence and develop competitive advantages: SWOT analysis, the Five Forces Model, the Three Generic Strategies, and value chain analysis.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

370. The Victory Wireless store in Denver is currently offering a fabulous marketing strategy for potential new iPhone customers. Victory Wireless offers customers who purchase an iPhone with a 2-year subscription a free Otter phone case, car charger, ear phones, and speakers. In terms of Porter's Five Forces what is Victory Wireless attempting to achieve with this marketing strategy?

- A. Increase buyer power
- B. Increase substitute products
- C. Decrease supplier power
- D. Decrease buyer power**

Victory Wireless is attempting to decrease buyer power by offering products at a lower price or competing on price.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

371. Gina Brooks works for Aquarium Retail Services selling high-end salt water fish and tank supplies. Aquarium Retail Services is the current market leader in Gina's city. Gina has recently been approached by Deep Blue Incorporated with an opportunity to run its corporate nation-wide marketing and sales division. Gina decides to jump at the opportunity! Deep Blue is attempting to gain a competitive _____ by stealing its competitor's key employees.

- A. power
- B. entry barrier
- C. advantage**
- D. loyalty

Ways that companies duplicate competitive advantages include acquiring the new technology, copying business processes, and hiring away employees.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

372. The banking industry has implemented several competitive advantages including ATM's, online bill pay services, and electronic statements. Of course, these competitive advantages were quickly duplicated by any competitor that wanted to remain in the banking industry. These were all examples of _____ competitive advantages.

- A. acquiring new technology products and services**
- B. hiring new employees
- C. reducing expenses
- D. gaining invaluable feedback from customers

The banking industry, for example, has utilized competitive advantage by all now offering ATM's, online bill pay services, and e-statements are all examples of ways they duplicated each other by acquiring new technology products and services.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

373. Michael Porter defined the Five Forces Model and the potential pressures that can hurt sales. Which of the following is not one of the potential pressures that can hurt sales?

- A. Suppliers can drive down profits by charging more for supplies.
- B. New market entrants can steal potential investment capital.
- C. Substitute products can steal customers.
- D. Competition can steal customers.

Michael Porter defined the Five Forces Model. Before formally presenting his model, he identified pressures that can hurt potential sales, which include: 1) knowledgeable customers can force down prices by pitting rivals against each other, 2) influential suppliers can drive down profits by charging higher prices for supplies, 3) competition can steal customer, 4) new market entrants can steal potential investment capital, and 5) substitute products can steal customers.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Analyze

Difficulty: 3 Hard

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

374. Kevin Campbell is an incoming freshman at your college. Kevin is frustrated by the cost of books, tuition, and expenses and he also needs to purchase a rather expensive laptop. In an effort to save money, Kevin beings a Facebook group finding other college students who need to purchase laptops. Soon, Kevin's Facebook group has close to 100,000 students. Kevin decides to collectively approach different computer companies to see if his group qualifies for a special discount. What business strategy is Kevin using to purchase laptops?

- A. Collecting business intelligence
- B. Decreasing entry barriers
- C. Purchasing a substitute product
- D. Increasing buyer power

Buyer power is one of Porter's Five Forces, which measures the ability of buyers to affect the price they must pay for an item. Kevin's group is attempting to increase its buyer power.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Analyze

Difficulty: 3 Hard

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

375. What are costs that make customers reluctant to switch to another product or service?

- A. Support activities
- B. Switching costs**
- C. Loyalty rewards
- D. Value chain activities

Switching costs is Costs that make customers reluctant to switch to another product or service.

AACSB: Reflective Thinking
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Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

376. Callie Crystal owns and operates one of the most successful local coffee shops in Denver, called The Edgewater Café. Each time a customer purchases their 100th cup of coffee at The Edgewater Café they receive a free pound of coffee of their choice. What is Callie attempting to create with her unique "Free Pound of Coffee" marketing program?

- A. Reducing buyer power with a loyalty program**
- B. Increasing buyer power with a loyalty program
- C. Decreasing supplier power with a differentiated product
- D. Creating a substitute product

One way to reduce buyer power is with a loyalty program which is a program to reward customers based on their spending.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

377. What includes all parties involved, directly or indirectly, in obtaining raw materials or a product?

- A. Support chain
- B. Supply chain**
- C. System chain
- D. Supply choice

Supply chain includes all parties involved, directly or indirectly, in obtaining raw materials or a product.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

378. Which of the below represents a company in a supply chain?

- A. Customer and competitor
- B. Supplier and competitor
- C. Knowledge worker and supplier
- D. Supplier and customer**

In a typical supply chain, a company will be both a supplier and a customer.

AACSB: Reflective Thinking
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Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

379. In the center of Porter's Five Forces model is competition. Which of the below represents the four outer boxes?

- A. Buyer power, systems power, threat of false entrants, and threat of substitute products or services
 - B. Buyer power, systems power, threat of new entrants, and threat of substitute products or services
 - C. Buyer power, supplier power, threat of new entrants, and threat of substitute products or services**
 - D. Business power, supplier power, threat of new entrants, and threat of powerful services
- The four competitive forces that work amongst the power of competitors are buyer power, supplier power, threat of new entrants, and threat of substitute products or services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

380. Shawn McGill is on the executive board for ABC pharmaceuticals. The company produces the number one selling cancer fighting drug on the market. Due to its incredible success, ABC pharmaceuticals has decided to increase the cost of the drug from \$8 a pill to \$15 a pill. Which force is ABC pharmaceutical using to increase its drug price?

- A.** Supplier power
- B. Buyer power
- C. Threat of false entrants
- D. Business power

Supplier power is One of Porter's Five Forces, measures the suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services).

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

381. What is one of the most common ways a company can decrease supplier power?

- A. Charge lower prices
- B. Charge higher prices
- C.** Use MIS to find and create alternative products
- D. Companies cannot impact supplier power

Using MIS to find alternative products is one way of decreasing supplier power.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

382. If a supplier has high power what can it do to influence its industry?

- A. Charge higher prices
- B. Shift costs to industry participants
- C. Limit quality or services
- D.** All of these choices

If the supplier power is high, the supplier can influence the industry by, 1) charging higher prices, 2) limiting quality or services, and 3) shifting costs to industry participants.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

383. How can a company reduce the threat of substitute products or services?

- A. Market the product to less than ten customers
 - B. Ignore competitive forces
 - C. Offer additional value through wider product distribution**
 - D. Offer less value making the product far more generic and similar to the competition
- One way a company can reduce the threat of substitute products or services is to offer additional value through wider product distribution.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

384. Which one of Porter's Five Forces is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market?

- A. Threat of new entrants**
 - B. Threat of substitute products or services
 - C. Threat of buyer power
 - D. Supply chain competition
- Threat of new entrants is one of Porter's Five Forces, high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

385. John Cleaver is the CEO of Tech World, which is a retail store that sells computers, monitors, cameras, televisions and many other electronic products. John and his executive team are meeting to brainstorm new ideas on how to grow the business. One idea is to mimic a competitor's product that is attempting to sell a new product in a different industry. After performing a Porter's Five Forces analysis John determines that all of the forces are high in this new industry. What should John do?

- A. Explode into the market with an overflow of the product.
- B. Contemplate other products to introduce at the same time in this new market.
- C. Compare the competitor's prices and offer his product lower in this new market.
- D.** Not introduce the product because all Five Forces are strong and this would be a highly risky business strategy.

When the Five Forces are all strong or high it is a poor business strategy, when the forces are low, this is a great time to execute the business strategy.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

386. What is a feature of a product or service that customers have come to expect and entering competitors must offer the same if they want to survive?

- A. Significant barrier
- B.** Entry barrier
- C. Product differentiation
- D. Entry chain

Entry barrier is a feature of a product or service that customers have come to expect and entering competitors must offer the same for survival.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

387. Which of the following represents a typical supply chain?

- A. Company - customers - suppliers
- B. Company - suppliers - customers
- C.** Suppliers - company - customers
- D. Suppliers - customers - company

A traditional business supply chain operates like this: supplier - company - customers.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

388. Imagine you are creating a new product to sell in an up-and-coming market. Which of the below statements indicates that it would be easy for you as the new entrants to compete in this market?

A. The threat of new entrants' force is high in the up-and-coming market.
B. The threat of new entrants' force is low in the up-and-coming market.
C. The threat of new entrants' force is impossible to define in the up-and-coming market.
D. All of these choices, depending on the time of year.
The threat of new entrants is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

389. Imagine you are creating a new product to sell in an up-and-coming market. Which of the below statements indicates that it would be difficult for you to enter this new market?

A. The threat of new entrants' force is high in the up-and-coming market.
B. The threat of new entrants' force is low in the up-and-coming market.
C. The threat of new entrants' force is high during the summer months in the up-and-coming market.
D. All of these choices, depending on the time of year.
The threat of new entrants is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

390. Which of the following offers an example where Porter's Five Forces are mostly strong and competition is high?

- A. A dog walking business
- B. A ski resort
- C. A professional hockey team
- D. All of these choices

With Porter's Five Forces model, these are all examples of strong forces, where it increases competition: 1) a single consumer purchasing milk, 2) a company that makes pencils, 3) coffee from McDonalds, 4) a dog walking business, and 5) a coffee shop.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

391. Which of the following offers an example where Porter's Five Forces are mostly weak and competition is low?

- A. An international hotel chain purchasing milk
- B. A coffee shop
- C. A single consumer purchasing milk
- D. A dog walking business

With Porter's Five Forces model, these are all examples of weak forces, where it decreases competition: 1) an international hotel chain purchasing milk, 2) a company that makes airline engines, 3) cancer drugs from a pharmaceutical company, 4) a professional hockey team, and 5) department of Motor Vehicles.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

392. Some industries' competition is much more intense than others. Retail grocery stores such as Kroger, Safeway, and Albertson's in the United States experience fierce competition and offer similar marketing campaigns to compete. What is an example of in terms of Porter's Five Forces?

- A. Rivalry among new entrants
- B. Rivalry among existing competitors**
- C. Threat of substitute products or services
- D. Buyer power

Some industries' competition is much more intense than others. The retail grocery stores such as Kroger, Safeway, Albertson's, and Ralph's in the United States have fierce competition and similar programs to compete with each other.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

393. Amazon.com uses a customer profiling system whenever a customer visits its website. Using this system, Amazon can offer products tailored to that particular customer's profile and buying pattern. What is Amazon using to achieve this competitive advantage?

- A. Rivalry
- B. Buyer power
- C. Product differentiation**
- D. Substitute product

Product differentiation is an advantage that occurs when a company develops unique differences in its products with the intent to influence demand.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

394. Your boss, Ty Jacob, has asked you to analyze the music industry using Porter's Five Forces model. Which of the following represents supplier power in the music industry?

- A. Established record labels like EMI, Sony, Universal**
- B. Walmart, Target, iTunes
- C. Game systems like Wii, social networks like Facebook
- D. Taylor Swift, Beyoncé, The Beatles, The Stones

An example of supplier power in the music industry includes established record labels like EMI, Sony, and Universal.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

395. Your boss, Ty Jacob, has asked you to analyze the music industry using Porter's Five Forces model. Which of the following represents buyer power in the music industry?

- A. Established record labels like EMI, Sony, Universal
- B. Walmart, Target, iTunes**
- C. Independent record labels
- D. Game systems like Wii, social networks like Facebook

Buyer power in the music industry includes Walmart, Target, and iTunes who purchase music from record labels to sell online and in their stores.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

396. Your boss, Ty Jacob, has asked you to analyze the music industry using Porter's Five Forces model. Which of the following represents the threat of substitute products or services in the music industry?

- A. Established record labels like EMI, Sony, Universal
- B. Independent record labels
- C. Game systems like Wii, social networks like Facebook**
- D. Taylor Swift, Beyoncé, The Beatles, The Stones

Game systems like Wii and social networks offer alternatives or substitute products to purchasing music for a consumer.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

397. Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents supplier power in the soft drink industry?

- A.** Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B. Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C. Zevia Natural Diet Soda begins selling directly over the Internet.
- D. Vitamin water, fruit juice, coffee.

Supplier power in the soft drink industry is represented by Pepsi.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

398. Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents buyer power in the soft drink industry?

- A. Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B.** Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C. Zevia Natural Diet Soda begins selling directly over the Internet.
- D. Vitamin water, fruit juice, coffee.

Buyer power in the soft drink industry is represented by Walmart.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

399. Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents a threat of a new entrant in the soft drink industry?

- A. Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
 - B. Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
 - C.** Zevia Natural Diet Soda begins selling directly over the Internet.
 - D. Vitamin water, fruit juice, coffee.
- Zevia Natural Diet Soda represents a new entrant in the soft drink industry.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

400. Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents a substitute product in the soft drink industry?
- A. Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
 - B. Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
 - C. Zevia Natural Diet Soda begins selling directly over the Internet.
 - D. Vitamin water, fruit juice, coffee**
Vitamin water, fruit juice, or coffee are all substitute products to a soft drink.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

401. What is buyer power?
- A. The ability of buyers to affect the price they must pay for an item**
 - B. The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services)
 - C. High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market
 - D. High when there are many alternatives to a product or service and low when there are few alternatives from which to choose
- Buyer power is the ability of buyers to affect the price they must pay for an item.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

402. What is supplier power?

- A. The ability of buyers to affect the price they must pay for an item
- B.** The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services)
- C. High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market
- D. High when there are many alternatives to a product or service and low when there are few alternatives from which to choose

Supplier power is the suppliers' ability to influence prices.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

403. What is threat of substitute products or services?

- A. The ability of buyers to affect the price they must pay for an item
- B. The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services)
- C. High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market
- D.** High when there are many alternatives to a product or service and low when there are few alternatives from which to choose

Threat of substitute products or services is high when there are many alternatives to a product or service and low when there are few alternatives from which to choose.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 1 Easy
Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.
Topic: The Five Forces Model

404. What is threat of new entrants?

- A. The ability of buyers to affect the price they must pay for an item
- B. The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services)
- C.** High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market
- D. High when there are many alternatives to a product or service and low when there are few alternatives from which to choose

Threat of new entrants is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

405. What is rivalry among existing competitors?

- A. The ability of buyers to affect the price they must pay for an item
- B. The suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services)
- C. High when it is easy for new competitors to enter a market and low when there are significant entry barriers to joining a market
- D.** High when competition is fierce in a market and low when competitors are more complacent

Rivalry is high when competition is fierce in a market and low when competitors are more complacent.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 1 Easy

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

406. Your boss, Kerry Miller, has asked you to analyze the soft drink industry using Porter's Five Forces model. Which of the following represents rivalry in the soft drink industry?

- A. Pepsi requires stores that carry Pepsi products to commit to minimum orders of 1,000 cases.
- B. Walmart negotiates a lower cost per bottle from Coke in exchange for premium shelf space in every Walmart store.
- C. Zevia Natural Diet Soda begins selling directly over the Internet.
- D. Coke and Pepsi submit bids to the owner of a football stadium for the exclusive sale of their products during games.**

The rivalry between Coke and Pepsi is famous in the soft drink industry.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

407. Porter identified Three Generic Strategies that a business could follow after identifying a market it wanted to enter. Which of the following is not included as one of Porter's Three Generic Strategies?

- A. Broad differentiation
- B. Supplier cost differentiation**
- C. Focused strategy
- D. Broad cost leadership

Porter has identified three generic business strategies for entering a new market: 1) broad cost leadership, 2) broad differentiation, and 3) focused strategy.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-06 Compare Porter's three generic strategies.

Topic: The Three Generics Strategies

408. When analyzing Porter's Three Generic Strategies for entering a market, if you have a focused strategy what market should you target?

- A. A niche market**
- B. A broad market
- C. Neither niche or broad markets
- D. Both niche and broad markets

When analyzing Porter's Three Generic Strategies for entering a market, if you have a focused strategy you should target a narrow market, niche market, or a unique market.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

*Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies*

409. Which of the following offers an example of a company operating in a narrow focused-market operating as the low-cost provider?

A. Walmart
B. Tiffany & Co.
C. Neiman Marcus
D. Payless Shoes

Payless competes by offering a specific product (narrow market) shoes at low prices. Their strategy is to be the low-cost provider of shoes.

*AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies*

410. Broad differentiation, broad cost leadership, and _____ create the Three Generic Strategies identified by Porter.

A. narrow market leadership
B. high cost versus low cost
C. fused strategy
D. None of these choices

The three strategies proposed by Porter are 1) broad cost leadership, 2) broad differentiation, and 3) focused strategy.

*AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies*

411. Jennifer Bloom is writing a paper and she must determine which of Porter's Three Generic Strategies The Museum Company has implemented. Jennifer finds out that The Museum Company offers specialty products found only in museums around the world to affluent customers. What would Jennifer determine The Museum Company is using as its generic strategy?

A. Broad market, low cost
B. Narrow market, high cost
C. Broad market, high cost
D. Narrow market, low cost

The Museum Company competes using a narrow market and high cost focus.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

412. According to Porter companies that wish to dominate broad markets should operate using a _____ strategy.

A. cost leadership with a low cost
B. differentiation with a low cost
C. cost leadership with a high cost
D. All of these choices

According to Porter broad markets should utilize cost leadership with a low cost and differentiation with a high cost.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

413. Which of the following demonstrates a company that has implemented a low cost, broad market strategy?

A. Neiman Marcus
B. Payless Shoes
C. The Sharper Image
D. Walmart

Walmart competes by offering a broad range of products at low prices. Its business strategy is to be the low-cost provider of goods for the cost-conscious consumer.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember

414. If a business is following a focused strategy then its competitive scope is _____.

- A. broad market
- B. narrow market**
- C. broad range products
- D. broad range of services

When you have a market segment their competitive scope should be a narrow market, and the cost strategy should be a focused strategy.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

415. When applying Porter's Three Generic Strategies, Tiffany & Co. has a competitive scope and cost strategy that is _____.

- A. broad market - high cost strategy
- B. narrow market - low cost strategy
- C. narrow market - high cost strategy**
- D. broad market - low cost strategy

Tiffany & Co. competes by offering a differentiated product, jewelry, at high prices. Its business strategy allows it to be a high-cost provider of premier designer jewelry to affluent consumers.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

416. When analyzing the book store industry, some of today's businesses compete with different business strategies and cost strategies. Which of the following is using a broad market competitive scope along with a low cost strategy?

- A. Amazon.com**
- B. Any local independent book store that specializes in antique books
- C. Barnes & Noble
- D. Borders books

Amazon.com competes by offering a broad range of differentiated products at low prices.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

417. Which of the below is similar to focused strategy versus broad strategy?

- A. Large market versus leadership
- B. Large market versus uniqueness
- C. Niche market versus large market**
- D. Niche market versus generic

Focused strategies versus broad strategies is synonymous to niche market versus large markets.

418. Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's Three Generic Strategies. Which of the following companies are using a cost leadership strategy?

- A. Southwest, Horizon, Frontier, JetBlue**
- B. British Airways, Singapore Airlines, Virgin Atlantic
- C. Sky Taxi - a rent by the hour personal plane service
- D. All of these choices

Southwest, Horizon, Frontier, and JetBlue all use cost leadership business strategies.

419. Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's Three Generic Strategies. Which of the following companies are using a differentiation strategy?

- A. Southwest, Horizon, Frontier, JetBlue
- B. British Airways, Singapore Airlines, Virgin Atlantic**
- C. Sky Taxi - a rent by the hour personal plane service
- D. All of these choices

British Airways, Singapore Airlines, and Virgin Atlantic all compete using differentiation strategies.

Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

420. Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter's Three Generic Strategies. Which of the following companies are using a focused strategy?

- A. Southwest, Horizon, Frontier, JetBlue
- B. British Airways, Singapore Airlines, Virgin Atlantic
- C. Sky Taxi - a rent by the hour personal plane service**
- D. All of these choices

Sky Taxi is using a focused-strategy targeting individuals that want to hire private planes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Objective: 01-06 Compare Porter's three generic strategies.
Topic: The Three Generics Strategies

421. When reviewing Porter's value chain analysis, which of the below provides customer support after the sale of goods and services?

- A. Inbound logistics
- B. Outbound logistics
- C. Operations
- D. Service**

The service activity within the primary value activities will provide customer support after the sale of goods and services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

422. Which of the below represents procurement as part of the support value activities in a value chain analysis?

- A. Purchases inputs such as raw materials, resources, equipment and supplies**
- B. Applies MIS to processes to add value
- C. Distributes goods and services to customers
- D. Promotes, prices, and sells products to customers

Procurement is the process of the support value activity which purchases inputs such as raw materials, resources, equipment and supplies.

AACSB: Reflective Thinking
AACSB: Technology

Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

423. What includes support value activities and primary value activities and is used to determine how to create the greatest possible value for customers?

A. Supplier power
B. Operations management
C. Porter's Five Forces Model

D. The value chain analysis

The support activity firm infrastructure coupled with the primary value activity of outbound logistics is a part of the value chain analysis.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

424. What is a standardized set of activities that accomplishes a specific task?

A. Business strategy
B. Business outcome
C. Business process
D. Knowledge process

A business process is a standardized set of activities that accomplish a specific task.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

425. Which of the following analyzes a company's business processes and is useful for determining how to create the greatest possible value for customers?

A. Product analysis
B. Primary supplier power
C. Value chain analysis
D. Buyer chain analysis

The value chain analysis views a firm as a series of business processes that each add value to the product or service.

AACSB: Reflective Thinking
AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.

Topic: Value Chain Analysis

426. The goal of value chain analysis is to identify processes in which the firm can add value for the customer and create a competitive advantage for itself, with a _____ or _____.

- A. focused strategy, product differentiation
- B. focused strategy, cost advantage
- C. cost advantage, primary value activities
- D. cost advantage, product differentiation**

The goal of value chain analysis is to identify processes in which the firm can add value for the customer and create a competitive advantage for itself, with a cost advantage or product differentiation.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.

Topic: Value Chain Analysis

427. What are the two main categories in a value chain analysis?

- A. Primary value activities & secondary value activities
- B. Primary value activities & support value activities**
- C. Primary value activities & strengthening value activities
- D. None of these choices

The value chain groups a firm's activities into two categories, primary value activities, and support value activities.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.

Topic: Value Chain Analysis

428. Which of the following is not considered a category within the primary value activities in a value chain analysis?

- A. Inbound logistics
- B. Firm infrastructure**
- C. Operations
- D. Service

Primary value activities are found at the bottom of the value chain, these include business processes that acquire raw materials and manufacture, deliver, market, sell, and provide after-sales services.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

429. Which of the following is not considered a category within the support value activities in a value chain analysis?

- A. Technology development
- B. Outbound logistics**
- C. Human resource management
- D. Firm infrastructure

Support value activities are found along the top of the value chain and includes business processes, such as firm infrastructure, human resource management, technology development, and procurement that support the primary value activities.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

430. What is the support value activity that provides employees with training, hiring, and compensation?

- A. Procurement
- B. Operations resource management
- C. Human resource management**
- D. Firm infrastructure

Human resource management provides employee training, hiring, and compensation.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

431. Sandy Fiero works as the chief knowledge officer for Bend Lumbar Company. She has been given the responsibility to create a product or service that will bring an added value to its customers to increase the company's revenue. Sandy determines that the best value she can add is by creating a service that offers free next day shipping on any order over \$50. Where in the value chain is Sandy adding value?

- A.** The primary value activity outbound logistics
 - B. The primary value activity inbound logistics
 - C. The primary value activity marketing and sales
 - D. The primary value activity operations
- Outbound logistics distributes goods and services to customers.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

432. When evaluating the value chain, all of the following are included in the primary value activities except _____.

- A. inbound activities
- B. operations
- C. service
- D.** MIS development

The primary value activities include 1) inbound logistics, 2) operations, 3) outbound logistics, 4) marketing and sales, and 5) service.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

433. When evaluating the value chain, which of the following is included in the support value activities?

- A. Inbound activities
- B. Marketing and sales
- C. Firm infrastructure**
- D. Finance and sales

The support value activities found along the top of the value chain include 1) firm infrastructure, 2) human resource management, 3) technology development, and 4) procurement.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Remember

Difficulty: 1 Easy

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.

Topic: Value Chain Analysis

434. Which of the following decisions does a firm need to make as soon as it has identified the activities from the value chain that are bringing the highest added value to their customers?

- A. Target high value-adding activities to further enhance their value
- B. Target low value-adding activities to increase their value
- C. Perform some combination of the two
- D. All of these choices**

When a firm has identified the activities from the value chain that are bringing the highest added value to their customers, they need to make decisions regarding the competitive advantage by determining whether to 1) Target high value-adding activities to further enhance their value, 2) Target low value-adding activities to increase their value, and 3) Perform some combination of the two.

AACSB: Reflective Thinking

AACSB: Technology

Accessibility: Keyboard Navigation

Blooms: Understand

Difficulty: 2 Medium

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.

Topic: Value Chain Analysis

435. MIS can add value to both primary activities and support activities in the value chain. Which of the following is not an example of a company adding value by the use of MIS in a primary activity?

- A. Scottrade Corp. creating an online system for employees to track paychecks, benefits, wellness rewards program, and other employee benefit items
- B. A system for the sales and marketing departments to track specific sales targets and follow up processes
- C. An easy electronic survey, similar to the survey monkey, to be sent to the customer right after a service was completed
- D. Royal Crest Dairy using their custom order and delivery system through an easily accessible Web portal for the customer to track delivery status

MIS can add value to both primary and support activities within a business. All are primary activities except Scottrade Corp. creating an online system for employees to track paychecks, benefits, wellness rewards program, and other employee benefit items. This is a support value activity.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

436. MIS can add value to both primary and support activities within a business. Which of the following is not an example of a company adding value by the use of MIS in a support activity?

- A. Netflix creating a business strategy for the video rental market that delivers videos via the mail
- B. The human resources department creates a tracking system to efficiently reward employees based on their performance
- C. Scottrade Corp. creating an online system for employees to track paychecks, benefits, wellness rewards program, and other employee benefit items
- D. The University of Forks creates a program to automatically order office supplies such as pens and pads of paper for its employees

MIS can add value to both primary and support activities within a business. All are support activities except for the example, Netflix creating a business strategy for the video rental market that makes renting a movie simplified with their inexpensive, no late fee, quick mail delivery system. This is a primary value activity.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis

Essay Questions

437. Describe the information age and the differences between data, information, business intelligence, and knowledge.

We live in the information age, when infinite quantities of facts are widely available to anyone who can use a computer. The core drivers of the information age include data, information, business intelligence, and knowledge. Data are raw facts that describe the characteristics of an event or object. Information is data converted into a meaningful and useful context. Business intelligence (BI) is information collected from multiple sources such as suppliers, customers, competitors, partners, and industries that analyzes patterns, trends, and relationships for strategic decision making. Knowledge includes the skills, experience, and expertise, coupled with information and intelligence that creates a person's intellectual resources. As you move from data to knowledge you include more and more variables for analysis resulting in better, more precise support for decision making and problem solving.

AACSB: Reflective Thinking

AACSB: Technology

Blooms: Analyze

Difficulty: 3 Hard

Learning Objective: 01-01 Describe the information age and the differences among data, information, business intelligence, and knowledge.

Topic: Competing in the Information Age

438. Identify the different departments in a company and why they must work together to achieve success.

Companies are typically organized by department or functional area such as accounting, finance, human resources, marketing, operations management, and sales. Although each department has its own focus and own data, none can work independently if the company is to operate as a whole. It is easy to see how a business decision made by one department can affect other departments. Functional areas are anything but independent in a business. In fact, functional areas are interdependent. Sales must rely on information from operations to understand inventory, place orders, calculate transportation costs, and gain insight into product availability based on production schedules. For an organization to succeed, every department or functional area must work together sharing common information and not be a "silo." Information technology can enable departments to more efficiently and effectively perform their business operations.

AACSB: Reflective Thinking

AACSB: Technology

Blooms: Analyze

Difficulty: 3 Hard

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

439. Define the six primary MIS-related strategic positions in an organization along with their associated responsibilities.

The chief information officer (CIO) is responsible for (1) overseeing all uses of information technology and (2) ensuring the strategic alignment of MIS with business goals and objectives. The chief data officer (CDO) is responsible for determining the types of information the enterprise will capture, retain, analyze, and share. The chief technology officer (CTO) is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organization's information technology. The chief security officer (CSO) is responsible for ensuring the security of the MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses. The chief privacy officer (CPO) is responsible for ensuring the ethical and legal use of information within an organization. The chief knowledge officer (CKO) is responsible for collecting, maintaining, and distributing the organization's knowledge.

*AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard*

Learning Objective: 01-02 Identify the different departments in a company and why they must work together to achieve success.

Topic: The Challenge: Departmental Companies

440. Explain systems thinking and how management information systems enable business communications.

A system is a collection of parts that link to achieve a common purpose. Systems thinking is a way of monitoring the entire system by viewing multiple inputs being processed or transformed to produce outputs while continuously gathering feedback on each part. Feedback is information that returns to its original transmitter (input, transform, or output) and modifies the transmitter's actions. Feedback helps the system maintain stability. Management information systems (MIS) is a business function, like accounting and human resources, which moves information about people, products, and processes across the company to facilitate decision making and problem solving. MIS incorporates systems thinking to help companies operate cross-functionally. For example, to fulfill product orders, an MIS for sales moves a single customer order across all functional areas including sales, order fulfillment, shipping, billing, and finally customer service. Although different functional areas handle different parts of the sale, thanks to MIS, to the customer the sale is one continuous process.

*AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard*

Learning Objective: 01-03 Explain systems thinking and how management information systems enable business communications.

Topic: The Solution: Management Information Systems

441. Explain why competitive advantages are temporary.

A competitive advantage is a feature of a product or service on which customers place a greater value than they do on similar offerings from competitors. Competitive advantages provide the same product or service either at a lower price or with additional value that can fetch premium prices. Unfortunately, competitive advantages are typically temporary, because competitors often quickly seek ways to duplicate them. In turn, organizations must develop a strategy based on a new competitive advantage. Ways that companies duplicate competitive advantages include acquiring the new technology, copying business processes, and hiring away employees.

AACSB: Reflective Thinking

AACSB: Technology

Blooms: Analyze

Difficulty: 3 Hard

Learning Objective: 01-04 Explain why competitive advantages are temporary along with the four key areas of a SWOT analysis.

Topic: Identifying Competitive Advantages

442. Describe Porter's Five Forces Model and explain each of the Five Forces.

Porter's Five Forces Model analyzes the competitive forces within the environment in which a company operates, to assess the potential for profitability in an industry. Buyer power is the ability of buyers to affect the price they must pay for an item. Supplier power is the suppliers' ability to influence the prices they charge for supplies (including materials, labor, and services). Threat of substitute products or services is high when there are many alternatives to a product or service and low when there are few alternatives from which to choose. Threat of new entrants is high when it is easy for new competitors to enter a market and low when there are significant entry barriers to entering a market. Rivalry among existing competitors is high when competition is fierce in a market and low when competition is more complacent.

AACSB: Reflective Thinking

AACSB: Technology

Blooms: Analyze

Difficulty: 3 Hard

Learning Objective: 01-05 Describe Porter's Five Forces Model and explain each of the five forces.

Topic: The Five Forces Model

443. Compare Porter's Three Generic Strategies.

Organizations typically follow one of Porter's Three Generic Strategies when entering a new market: (1) broad cost leadership, (2) broad differentiation, and (3) focused strategy. Broad strategies reach a large market segment. Focused strategies target a niche market. Focused strategies concentrate on either cost leadership or differentiation.

AACSB: Reflective Thinking

AACSB: Technology

Blooms: Analyze

Difficulty: 3 Hard

444. Demonstrate how a company can add value by using Porter's value chain analysis.

To identify competitive advantages, Michael Porter created value chain analysis, which views a firm as a series of business processes that each add value to the product or service. The goal of value chain analysis is to identify processes in which the firm can add value for the customer and create a competitive advantage for itself, with a cost advantage or product differentiation. The value chain groups a firm's activities into two categories—primary value activities and support value activities. Primary value activities acquire raw materials and manufacture, deliver, market, sell, and provide after-sales services. Support value activities, along the top of the value chain in the figure, include firm infrastructure, human resource management, technology development, and procurement. Not surprisingly, these support the primary value activities.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard

Learning Objective: 01-07 Demonstrate how a company can add value by using Porter's value chain analysis.
Topic: Value Chain Analysis