

**TEST BANK**



Experiencing **MIS**



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## *Experiencing MIS (Kroenke)*

### **Chapter 2: Business Processes, Information, and Information Systems**

#### Multiple Choice

1) Which of the following is NOT part of the network that comprises business processes?

- A) systems
- B) activities
- C) facilities
- D) resources

Answer: A

*Diff: 2 Page Ref: 22*

*Topic: business processes*

*AACSB: Analytic Skills*

*Study Questions: CH 2 Q 2 What is a business process?*

2) Business processes are \_\_\_\_\_.

- A) resources
- B) inventory management
- C) systems
- D) functions

Answer: C

*Diff: 2 Page Ref: 22*

*Topic: business processes*

*AACSB: Use of IT*

*Study Questions: CH 2 Q 2 What is a business process?*

3) \_\_\_\_\_ transform resources and information of one type into another type.

- A) Business processes
- B) Business systems
- C) Information
- D) Activities

Answer: A

*Diff: 2 Page Ref: 23*

*Topic: business processes*

*AACSB: Use of IT*

*Study Questions: CH 2 Q 3 What are the components of a business process?*

4) Which of the following is not an example of a resource?

- A) suppliers
- B) checks
- C) databases
- D) cash

Answer: C

*Diff: 2 Page Ref: 24*

*Topic: business processes*

*AACSB: Analytic Skills*

*Study Questions: CH 2 Q 3 What are the components of a business process?*

5) Structures that are used within the business process are called \_\_\_\_\_.

- A) facilities
- B) resources
- C) information
- D) information systems

Answer: A

Diff: 2 Page Ref: 24

Topic: business processes

AACSB: Analytic Skills

Study Questions: CH 2 Q 3 What are the components of a business process?

6) Jill drives to work each day. It is 4 miles from her home to her office. Therefore, she drives 8 miles each day that she goes to her office. This is an example of:

- A) data presented in a meaningful context.
- B) a difference that makes a difference
- C) knowledge derived from data
- D) averaged data

Answer: C

Diff: 2 Page Ref: 24

Topic: information

AACSB: Reflective Thinking

Study Questions: CH 2 Q 4 What is information?

7) Good information is:

- A) just sufficient.
- B) derived.
- C) free.
- D) all data.

Answer: A

Diff: 2 Page Ref: 25

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 4 What is information?

8) Writings reflect both personal perspectives and \_\_\_\_\_.

- A) beliefs
- B) point of view
- C) influences
- D) goals

Answer: D

Diff: 2 Page Ref: 25a

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 4 What is information?

9) Information requires an appropriate relationship between its cost and \_\_\_\_\_.

- A) value
- B) timeliness
- C) context
- D) sufficiency

Answer: A

Diff: 2 Page Ref: 26

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 4 What is information?

10) When work that was formerly done by people has been moved to computers, it is said to be \_\_\_\_\_.

- A) updated
- B) automated
- C) procedural
- D) processed

Answer: B

Diff: 2 Page Ref: 27

Topic: business processes supported by information systems

AACSB: Use of IT

Study Questions: CH 2 Q 6 How do information systems support business processes?

11) \_\_\_\_\_ is an example of an actor in the characteristics of the five components.

- A) Software
- B) Procedures
- C) Data
- D) Hardware

Answer: D

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Topic: five components

AACSB: Use of IT

Study Questions: CH 2 Q 5 What is the role of information in business processes?

12) Consider the characteristics of the five components. Which of the following serves as a bridge between the human side and the computer side?

- A) Hardware
- B) Software
- C) Data
- D) Procedures

Answer: C

Diff: 2 Page Ref: 28

Topic: five components

AACSB: Analytic Skills

Study Questions: CH 2 Q 6 How do information systems support business processes?

13) Which of the following is an example of a procedure?

- A) Accounts payable
- B) Inventory database
- C) Issue payment authorization
- D) Sales recording program

Answer: C

Diff: 2 Page Ref: 28

Topic: five components

AACSB: Analytic Skills

Study Questions: CH 2 Q 6 How do information systems support business processes?

14) \_\_\_\_\_ is the perceived difference between what is and what ought to be.

- A) A problem
- B) Egocentric thinking
- C) Empathetic thinking
- D) Cognition

Answer: A

Diff: 2 Page Ref: 31a

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 6 How do information systems support business processes?

15) \_\_\_\_\_ thinking centers on the self.

- A) Empathetic
- B) Cognitive
- C) Problematic
- D) Egocentric

Answer: D

Diff: 2 Page Ref: 31a

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 6 How do information systems support business processes?

## True False

1) A business process is also a business system.

Answer: TRUE

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Topic: business processes

AACSB: Use of IT

Study Questions: CH 2 Q 2 What is a business process?

2) Resources are transformed from one type to another through information.

Answer: FALSE

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Topic: business processes

AACSB: Analytic Skills

Study Questions: CH 2 Q 3 What are the components of a business process?

3) Activities are either manual or automated.

Answer: FALSE

Diff: 2 Page Ref: 24

Topic: business processes

AACSB: Use of IT

Study Questions: CH 2 Q 3 What are the components of a business process?

4) Inventories are considered an example of a facility.

Answer: TRUE

Diff: 2 Page Ref: 24

Topic: business processes

AACSB: Analytic Skills

Study Questions: CH 2 Q 3 What are the components of a business process?

5) Knowledge derived from data is information.

Answer: TRUE

Diff: 2 Page Ref: 24

Topic: information

AACSB: Use of IT

Study Questions: CH 2 Q 4 What is information?

6) Data that is summed is also called information.

Answer: TRUE

Diff: 2 Page Ref: 24

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 4 What is information?

7) All data is information.

Answer: FALSE

Diff: 2 Page Ref: 24

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 4 What is information?

8) Information is a difference that makes a difference.

Answer: TRUE

Diff: 2 Page Ref: 24

Topic: information

AACSB: Use of IT

Study Questions: CH 2 Q 4 What is information?

9) Users should be skeptical of information on Web pages.

Answer: TRUE

Diff: 2 Page Ref: 25

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 4 What is information?

10) Timing is unimportant for information.

Answer: FALSE

Diff: 2 Page Ref: 25

Topic: information

AACSB: Use of IT

Study Questions: CH 2 Q 4 What is information?

11) It is important to discriminate between data and information.

Answer: TRUE

Diff: 2 Page Ref: 25

Topic: information

AACSB: Use of IT

Study Questions: CH 2 Q 4 What is information?

12) Authors are able to write unbiased accounts of neutral subject matter.

Answer: FALSE

Diff: 2 Page Ref: 25a

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 4 What is information?

- 13) The higher you rise in management, the more information you are given.  
Answer: TRUE  
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Topic: information  
AACSB: Analytic Skills  
Study Questions: CH 2 Q 4 What is information?
- 14) There is a relationship between cost of information and the amount of data.  
Answer: FALSE  
Diff: 2  
Topic: information  
AACSB: Analytic Skills  
Study Questions: CH 2 Q 4 What is information?
- 15) Information needs to be relevant in both context and summary.  
Answer: FALSE  
Diff: 2 Page Ref: 26  
Topic: information  
AACSB: Use of IT  
Study Questions: CH 2 Q 4 What is information?
- 16) Information needs to be just barely sufficient for its purpose.  
Answer: TRUE  
Diff: 2 Page Ref: 26  
Topic: information  
AACSB: Analytic Skills  
Study Questions: CH 2 Q 4 What is information?
- 17) Business processes generate information by bringing data items together in a context.  
Answer: TRUE  
Diff: 2 Page Ref: 27  
Topic: business processes  
AACSB: Analytic Skills  
Study Questions: CH 2 Q 5 What is the role of information in business processes?
- 18) When work that was previously done by humans is moved to machines, it is said to be manual.  
Answer: FALSE  
Diff: 2 Page Ref: 27  
Topic: business processes supported by information systems  
AACSB: Use of IT  
Study Questions: CH 2 Q 6 How do information systems support business processes?
- 19) Data, people, and procedures make up the human side of the five components.  
Answer: FALSE  
Diff: 2 Page Ref: 28  
Topic: five components  
AACSB: Use of IT  
Study Questions: CH 2 Q 6 How do information systems support business processes?

## Fill in the Blank

1) Business processes are \_\_\_\_\_.

Answer: systems

Diff: 2 Page Ref: 22

Topic: business processes

AACSB: Use of IT

Study Questions: CH 2 Q 2 What is a business process?

2) Information and resources are transformed by \_\_\_\_\_.

Answer: activities

Diff: 2 Page Ref: 23

Topic: business processes

AACSB: Analytic Skills

Study Questions: CH 2 Q 3 What are the components of a business process?

3) \_\_\_\_\_ are items of value.

Answer: Resources

Diff: 2 Page Ref: 24

Topic: business processes

AACSB: Use of IT

Study Questions: CH 2 Q 3 What are the components of a business process?

4) Jill only drives her car when she goes to work each day. It is four miles between her home and office, so Jill drives eight miles each day. Jill works 6 days a week, so she drives 48 miles a week. This is an example of \_\_\_\_\_ data.

Answer: processed

Diff: 2 Page Ref: 24

Topic: information

AACSB: Reflective Thinking

Study Questions: CH 2 Q 4 What is information?

5) Good \_\_\_\_\_ relies upon properly processed data.

Answer: information

Diff: 2 Page Ref: 25

Topic: information

AACSB: Use of IT

Study Questions: CH 2 Q 4 What is information?

6) Good information is produced on a \_\_\_\_\_ basis.

Answer: timely

Diff: 2 Page Ref: 25

Topic: information

AACSB: Use of IT

Study Questions: CH 2 Q 4 What is information?

7) Everyone talks from the \_\_\_\_\_ of a personal point of view.

Answer: perspective

Diff: 2 Page Ref: 26

Topic: information

AACSB: Analytic Skills

Study Questions: CH 2 Q 4 What is information?



8) Jack, a top executive, receives 300 emails a day, and gets 12 reports and several publications every day. He works many hours, but never has time to read everything. He ignores many of the reports and deletes a lot of the emails, unread. This is an example of why information should be \_\_\_\_\_.

Answer: just barely sufficient

Diff: 2 Page Ref: 26

Topic: information

AACSB: Reflective Thinking

Study Questions: CH 2 Q 4 What is information?

9) Business processes generate \_\_\_\_\_ by putting together data into a meaningful context.

Answer: information

Diff: 2 Page Ref: 26

Topic: business processes

AACSB: Analytic Skills

Study Questions: CH 2 Q 5 What is the role of information in business processes?

10) The instruction set for hardware comes from the \_\_\_\_\_.

Answer: software

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Topic: five components

AACSB: Use of IT

Study Questions: CH 2 Q 6 How do information systems support business processes?

## Essays

1) What is an automated information system? Give two examples of these and discuss the nature of the competitive advantage they provide

Answer: An example of an automated information system is a web site that has customer ordering and payment features. These help to speed up the order process and reduce costs of having a salesperson taking the order. Another example is the automated customer support center. These can reduce costs but if done poorly, can offend customers. Natural language features can make them easier to use.

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Topic: business processes supported by information systems

AACSB: Analytic Skills

Study Questions: CH 2 Q 6 How do information systems support business processes?

2) How can empathetic thinking help your career in college as well as the workplace?

Answer: The example given in the text is an excellent one. If you ask the professor if there was anything "important" covered in class, it is an insult to his teaching. If, however, you are empathetic to the professor, you will make a much better impression. Empathy is useful also in requesting help from other students, in case you do miss a class. If you are genuinely concerned about the point of view of others, you will be more likely to make friends and associates that will be helpful to you. People will respond with concern and respect for you. The example of the business meeting given in the text is also a good one. If the people involved are completely caught up in their own point of view, the meeting will likely degenerate into a situation where everyone is trying to protect their own territory and no true communication and problem solving will result. If, however, each person attempts to see the point of view and challenges of the other employees, maybe solutions can be reached that no one could find on his/her own.

*Diff: 2 Page Ref: 31a*

*Topic: information*

*AACSB: Reflective Thinking*

*Study Questions: CH 2 Q 6 How do information systems support business processes?*

3) You tell your roommate who is majoring in electrical engineering that an information system is composed of hardware, software, data, procedures, and people. She responds by saying "This is ridiculous, it's just hardware and software!" How would you respond?

Answer: Before you respond at all, first take a moment to consider your roommate's perspective. She has focused so much on the technical side of computing applications, that she has a built-in bias against "soft" statements that might include people and procedures. Then remind her that in order for businesses to get the most out of their information systems, they have to consider how to get people to use them effectively. There are many examples of systems that were built but never used because they didn't take the human side into consideration.

*Diff: 2 Page Ref: 28*

*Topic: five components*

*AACSB: Reflective Thinking*

*Study Questions: CH 2 Q 5 What is the role of information in business processes?*

4) What are the characteristics of good information? Give an example of each in business today.

Answer: As stated in the text, the characteristics of good information are accuracy, timeliness, relevance, and cost effectiveness. Students would be very upset if they were filing for graduation but the records of their course work were inaccurate and showed they still needed more credits to graduate. Data inaccuracies cost businesses billions each year and lead to poor decisions. When Michael Miliken was sentenced to prison for fraudulently selling junk bonds, his firm rushed to auction off a set of data disks containing all his client leads and information. This was because this information was quickly losing its value as each day passed. We could also collect detailed reading about the temperature, composition, etc. on each square meter of the moon's surface, but it would have little relevance for our business and would hardly be cost effective.

*Diff: 2 Page Ref: 25*

*Topic: information*

*AACSB: Reflective Thinking*

*Study Questions: CH 2 Q 4 What is information?*

5) What is the difference between manual and computer-based information systems? Give two examples of each. Does one produce better information than the other?

Answer: There are many possible examples of “manual” information systems. A calendar might be one. You might even suggest that the informal water cooler talk is another type of information system. Of course the whole course is oriented around computer-based IS, but it is good to keep in mind that both types can produce valuable information. One is just more formalized and automated.

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*Topic: business processes supported by information systems*

*AACSB: Reflective Thinking*

*Study Questions: CH 2 Q 6 How do information systems support business processes?*