CHAPTER 1: Management Information Systems: Business Driven MIS

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

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| 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 |

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| 3. | 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 |

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| 4. | Technology provides countless business opportunities, but can also lead to pitfalls and traps for a business.    True    False |

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| 5. | 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 |

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| 6. | A variable is a business intelligence characteristic that stands for a value that cannot change over time.    True    False |

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| 7. | A fact is the confirmation or validation of an event or object. In the past, people primarily learned facts from books.    True    False |

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| 8. | Zappos is not a technology company; its primary business focus is to sell books.    True    False |

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| 9. | Order date, amount sold, and customer number are all forms of data.    True    False |

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| 10. | Choosing not to fire a sales representative who is underperforming knowing that person is experiencing family problems is a form of knowledge.    True    False |

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| 11. | 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 |

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| 12. | Knowledge workers are individuals valued for their ability to manage teams and implement critical human resource rules and regulations.    True    False |

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| 13. | Using data and information 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.    True    False |

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| 14. | Companies update business strategies continuously as internal and external environments change.    True    False |

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| 15. | The finance department performs the function of selling goods or services.    True    False |

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| 16. | The marketing department supports sales by planning, pricing, and promoting goods or services.    True    False |

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| 17. | The operations management department manages the process of converting or transforming resources into goods or services.    True    False |

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| 18. | The accounting and finance departments primarily use monetary data.    True    False |

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| 19. | The sales and marketing departments primarily use production data.    True    False |

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| 20. | For an organization to succeed, every department or functional area must work independently to be most effective.    True    False |

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| 21. | Successful companies today operate cross-functionally, integrating the operations of all departments.    True    False |

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| 22. | An overview of systems thinking includes input, process, output, and finances.    True    False |

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| 23. | 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 |

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| 24. | 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 |

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| 25. | 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 |

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| 26. | The chief technology officer is responsible for ensuring the speed, accuracy, availability, and reliability for MIS.    True    False |

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| 27. | The chief privacy officer is responsible for ensuring the ethical and legal use of information within a company.    True    False |

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| 28. | 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 |

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| 29. | The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.    True    False |

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| 30. | Waiting tables, teaching, and cutting hair are all examples of services that people pay for to fulfill their needs.    True    False |

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| 31. | Goods are material items or products that customer's will buy to satisfy a want or need.    True    False |

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| 32. | Cars, groceries, and clothing are all examples of goods.    True    False |

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| 33. | 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 |

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| 34. | Productivity is the rate at which goods and services are produced based upon total output given total inputs.    True    False |

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| 35. | Lettuce, tomatoes, patty, bun, and ketchup are included in the process of making a hamburger.    True    False |

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| 36. | Cooking a patty and putting the ingredients together are included in the process of making a hamburger.    True    False |

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| 37. | Bread, cheese, and butter are included in the process of making a grilled cheese sandwich.    True    False |

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| 38. | A grilled cheese sandwich is considered the final output of a making-a-sandwich process.    True    False |

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| 39. | If a business could produce the same hamburger with less expensive inputs it would probably see a decrease in profits.    True    False |

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| 40. | 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 |

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| 41. | A leadership plan that achieves a specific set of goals or objectives is a business strategy.    True    False |

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| 42. | When a company is the first to market with a competitive advantage, it gains a particular benefit known as competitive intelligence.    True    False |

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| 43. | To combat business challenges leaders communicate and execute business strategies from the Greek word stratus for army and ago for leading.    True    False |

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| 44. | Businesses rarely need to update business strategies as the business environment remains relatively stable.    True    False |

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| 45. | Attracting new customers, decreasing costs, and entering new markets are all examples of business strategies.    True    False |

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| 46. | Decreasing customer loyalty, increasing costs, and decreasing sales are all examples of business strategies.    True    False |

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| 47. | 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 |

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| 48. | 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 |

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| 49. | Competitive advantages provide the same product or service either at a lower price or with additional value that can fetch premium prices.    True    False |

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| 50. | Mark Peterson identified the Porter's Five Forces Model which analyzes the competitive forces within a business environment.    True    False |

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| 51. | Porter's Five Forces Model outlines the process for a sales strategy.    True    False |

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| 52. | 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 |

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| 53. | There are many challenges to changing doctors, including transferring medical records and losing the patient-doctor relationship along with the doctor's knowledge of the patient's history. Changing doctors provides a great example of switching costs.    True    False |

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| 54. | 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 |

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| 55. | 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 threat of new entrants.    True    False |

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| 56. | Product differentiation occurs when a company develops unique differences in its products or services with the intent to influence demand.    True    False |

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| 57. | Buyer power is the ability of buyers to affect the price they must pay for an item.    True    False |

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| 58. | Rivalry among existing competitors refers to the ability of buyers to affect the price they must pay for an item.    True    False |

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| 59. | The threat of substitute products or services refers to the power of customers to purchase alternatives.    True    False |

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| 60. | The threat of substitute products or services refers to the power of competitors to enter a new market.    True    False |

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| 61. | 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 |

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| 62. | Porter has identified three generic business strategies including focused, broad cost leadership, and switching strategy.    True    False |

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| 63. | According to Porter's three generic strategies, Walmart is following a business strategy that focuses on ‘broad market and low cost'.    True    False |

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| 64. | According to Porter it is recommended to adopt only one of the three generic strategies.    True    False |

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| 65. | Buyer power is included as one of Porter's three generic strategies.    True    False |

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| 66. | Value chain analysis views a firm as a series of business processes that each adds value to the product or service.    True    False |

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| 67. | A standardized set of activities that accomplish a specific task is called a supply chain component.    True    False |

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| 68. | The value chain will group a company's activities into two categories: primary value activities and support value activities.    True    False |

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| 69. | A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order.    True    False |

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| 70. | A primary value activity is a standardized set of activities that accomplish a specific task, such as processing a customer's order.    True    False |

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| 71. | Inbound logistics and operations are part of the primary value activities.    True    False |

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| 72. | Inbound logistics and operations are part of the support value activities.    True    False |

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| 73. | Firm infrastructure and human resource management are part of the primary value activities.    True    False |

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| 74. | Firm infrastructure and human resource management are part of the support value activities.    True    False |

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| 75. | Which of the following is not considered a core driver of the information age?      |  |  | | --- | --- | | A. | Information. |  |  |  | | --- | --- | | B. | Business Intelligence. |  |  |  | | --- | --- | | C. | Competitive Intelligence. |  |  |  | | --- | --- | | D. | Data. | |

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| 76. | Which of the following is not considered a core driver of the information age?      |  |  | | --- | --- | | A. | Information. |  |  |  | | --- | --- | | B. | Business Intelligence. |  |  |  | | --- | --- | | C. | Knowledge. |  |  |  | | --- | --- | | D. | All of the above. | |

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| 77. | Which of the following is considered a core driver of the information age?      |  |  | | --- | --- | | A. | Fact. |  |  |  | | --- | --- | | B. | Goods. |  |  |  | | --- | --- | | C. | Competitive Intelligence. |  |  |  | | --- | --- | | D. | Data. | |

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| 78. | Which of the following is considered a core driver of the information age?      |  |  | | --- | --- | | A. | Information. |  |  |  | | --- | --- | | B. | Business Intelligence. |  |  |  | | --- | --- | | C. | Knowledge. |  |  |  | | --- | --- | | D. | All of the above. | |

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| 79. | 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 | |

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| 80. | 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 the above. | |

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| 81. | What is the confirmation or validation of an event or object?      |  |  | | --- | --- | | A. | Fact. |  |  |  | | --- | --- | | B. | Data. |  |  |  | | --- | --- | | C. | Information technology. |  |  |  | | --- | --- | | D. | All of the above. | |

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| 82. | 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. | All of the above. | |

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| 83. | 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. | |

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| 84. | 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. | |

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| 85. | 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. | |

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| 86. | 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. | |

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| 87. | 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. | |

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| 88. | 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, that creates a person's intellectual resources. | |

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| 89. | Which of the following is considered information?      |  |  | | --- | --- | | A. | Quantity sold |  |  |  | | --- | --- | | B. | Date sold |  |  |  | | --- | --- | | C. | Best-selling item by month |  |  |  | | --- | --- | | D. | All of the above | |

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| 90. | 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 | |

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| 91. | 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. | |

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| 92. | 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. | 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. | |

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| 95. | 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 the above | |

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| 96. | 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? | |

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| 97. | 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? | |

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| 98. | 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 the above. | |

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| 99. | Knowledge includes the skills, experience, and expertise coupled with information and \_\_\_\_\_\_\_\_\_ that creates a person's intellectual resources.      |  |  | | --- | --- | | A. | Resources. |  |  |  | | --- | --- | | B. | Intelligence. |  |  |  | | --- | --- | | C. | Expectations. |  |  |  | | --- | --- | | D. | Enterprise information. | |

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| 100. | Which of the following is not a topic associated with the information age?      |  |  | | --- | --- | | A. | Collection of data. |  |  |  | | --- | --- | | B. | Storage of data. |  |  |  | | --- | --- | | C. | College statistics for data. |  |  |  | | --- | --- | | D. | Use of data. | |

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| 101. | Which of the following represents the core drivers 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. | |

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| 102. | Which of the following is not a core driver of the information age?      |  |  | | --- | --- | | A. | Information. |  |  |  | | --- | --- | | B. | Knowledge. |  |  |  | | --- | --- | | C. | Fact. |  |  |  | | --- | --- | | D. | Data. | |

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| 103. | 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. | |

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| 104. | 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. | All of the above | |

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| 105. | 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. | |

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| 106. | 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. | Vulnerable. | |

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| 107. | 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. | |

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| 108. | What is data converted into a meaningful and useful context called?      |  |  | | --- | --- | | A. | Competitive intelligence. |  |  |  | | --- | --- | | B. | Information. |  |  |  | | --- | --- | | C. | Buyer power. |  |  |  | | --- | --- | | D. | First-mover advantage. | |

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| 109. | As companies move from data to knowledge, they will start to include more and more variables for analysis resulting in better, more precise support for\_\_\_\_\_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Decision making. |  |  |  | | --- | --- | | B. | Problem solving. |  |  |  | | --- | --- | | C. | Both A & B. |  |  |  | | --- | --- | | D. | None of the above. | |

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| 110. | 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. | All of the above. | |

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| 111. | 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. | |

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| 112. | 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. | |

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| 113. | Which of the following is typically performed by the sales or marketing department?      |  |  | | --- | --- | | A. | Manage enterprise-wide processes. |  |  |  | | --- | --- | | B. | Maintain employment policies. |  |  |  | | --- | --- | | C. | Manage cross-enterprise processes. |  |  |  | | --- | --- | | D. | Maintain transactional data. | |

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| 114. | The sales department needs to rely on information from operations to understand \_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Inventory. |  |  |  | | --- | --- | | B. | Customer orders. |  |  |  | | --- | --- | | C. | Demand forecasts. |  |  |  | | --- | --- | | D. | All of the above. | |

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| 115. | 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. | |

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| 116. | 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. |  |  |  | | --- | --- | | C. | Marketing. |  |  |  | | --- | --- | | D. | CIO. | |

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| 117. | Information technology can enable departments to more efficiently and effectively perform their core \_\_\_\_\_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Facts. |  |  |  | | --- | --- | | B. | Feedback mechanisms. |  |  |  | | --- | --- | | C. | Business operations. |  |  |  | | --- | --- | | D. | Media issues. | |

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| 118. | The department within a company that records, measures, and reports monetary transactions is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Accounting. |  |  |  | | --- | --- | | B. | Marketing. |  |  |  | | --- | --- | | C. | Finance. |  |  |  | | --- | --- | | D. | Operations Management. | |

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| 119. | 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. | |

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| 120. | 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. | |

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| 121. | Which of the following represents the relationship between functional areas in a business?      |  |  | | --- | --- | | A. | Independent |  |  |  | | --- | --- | | B. | Autonomous |  |  |  | | --- | --- | | C. | Interdependent |  |  |  | | --- | --- | | D. | Self-sufficient | |

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| 122. | Which of the following represents the types of data commonly found in the accounting department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | B. | Technology data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | D. | Employee data. | |

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| 123. | 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. | |

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| 124. | Which of the following represents the types of data commonly found in the human resource department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | B. | Technology data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | D. | Employee data. | |

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| 125. | Which of the following represents the types of data commonly found in the sales department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | B. | Transactional data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | D. | Employee data. | |

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| 126. | Which of the following represents the types of data commonly found in the marketing department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | B. | Transactional data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | D. | Employee data. | |

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| 127. | Which of the following represents the types of data commonly found in the operations management department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | B. | Transactional data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | D. | Employee data. | |

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| 128. | Which of the following statements is true?      |  |  | | --- | --- | | A. | IT equals business success. |  |  |  | | --- | --- | | B. | IT equals business innovation. |  |  |  | | --- | --- | | C. | IT represents business success and innovation. |  |  |  | | --- | --- | | D. | IT enables business success and innovation. | |

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| 129. | What is the name of a company's internal MIS department?      |  |  | | --- | --- | | A. | Management information systems (MIS) |  |  |  | | --- | --- | | B. | Information systems (IS) |  |  |  | | --- | --- | | C. | Information technology (IT) |  |  |  | | --- | --- | | D. | All of the above | |

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| 130. | 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 | |

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| 131. | What are tasks performed by people that customers will buy to satisfy a want or need?      |  |  | | --- | --- | | A. | Goods |  |  |  | | --- | --- | | B. | Services |  |  |  | | --- | --- | | C. | Production |  |  |  | | --- | --- | | D. | Productivity | |

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| 132. | 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 | |

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| 133. | 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 | |

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| 134. | What are goods?      |  |  | | --- | --- | | A. | Material items or products that customers will buy to satisfy a want or need. |  |  |  | | --- | --- | | B. | Tasks performed by people that customers 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 | |

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| 135. | What are services?      |  |  | | --- | --- | | A. | Material items or products that customers will buy to satisfy a want or need. |  |  |  | | --- | --- | | B. | Tasks performed by people that customers 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 | |

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| 136. | What is production?      |  |  | | --- | --- | | A. | Material items or products that customers will buy to satisfy a want or need. |  |  |  | | --- | --- | | B. | Tasks performed by people that customers 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 | |

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| 137. | What is productivity?      |  |  | | --- | --- | | A. | Material items or products that customers will buy to satisfy a want or need. |  |  |  | | --- | --- | | B. | Tasks performed by people that customers 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 | |

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| 138. | Cars, groceries, and clothing belong in which category?      |  |  | | --- | --- | | A. | Goods |  |  |  | | --- | --- | | B. | Services |  |  |  | | --- | --- | | C. | Production |  |  |  | | --- | --- | | D. | Productivity | |

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| 139. | Teaching, waiting tables, and cutting hair belong in which category?      |  |  | | --- | --- | | A. | Goods |  |  |  | | --- | --- | | B. | Services |  |  |  | | --- | --- | | C. | Production |  |  |  | | --- | --- | | D. | Productivity | |

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| 140. | Which of the following is considered a good?      |  |  | | --- | --- | | A. | Cars |  |  |  | | --- | --- | | B. | Groceries |  |  |  | | --- | --- | | C. | Clothing |  |  |  | | --- | --- | | D. | All of the above | |

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| 141. | Which of the following is considered a service?      |  |  | | --- | --- | | A. | Teaching |  |  |  | | --- | --- | | B. | Waiting tables |  |  |  | | --- | --- | | C. | Cutting hair |  |  |  | | --- | --- | | D. | All of the above | |

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| 142. | Which of the following is considered a good?      |  |  | | --- | --- | | A. | Cars |  |  |  | | --- | --- | | B. | Teaching |  |  |  | | --- | --- | | C. | Waiting tables |  |  |  | | --- | --- | | D. | All of the above | |

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| 143. | Which of the following is considered a service?      |  |  | | --- | --- | | A. | Cars |  |  |  | | --- | --- | | B. | Groceries |  |  |  | | --- | --- | | C. | Cutting hair |  |  |  | | --- | --- | | D. | All of the above | |

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| 144. | Which of the following is considered a good?      |  |  | | --- | --- | | A. | Milk and eggs |  |  |  | | --- | --- | | B. | Managing a team |  |  |  | | --- | --- | | C. | Selling groceries |  |  |  | | --- | --- | | D. | All of the above | |

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| 145. | Which of the following is considered a service?      |  |  | | --- | --- | | A. | Selling groceries |  |  |  | | --- | --- | | B. | Managing a team |  |  |  | | --- | --- | | C. | Cutting hair |  |  |  | | --- | --- | | D. | All of the above | |

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| 146. | Lettuce, tomatoes, patty, bun, and ketchup are included in which category of making a hamburger?      |  |  | | --- | --- | | A. | Input |  |  |  | | --- | --- | | B. | Process |  |  |  | | --- | --- | | C. | Output |  |  |  | | --- | --- | | D. | All of the above | |

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| 147. | 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 the above | |

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| 148. | The actual hamburger is included in which category of making a hamburger?      |  |  | | --- | --- | | A. | Input |  |  |  | | --- | --- | | B. | Process |  |  |  | | --- | --- | | C. | Output |  |  |  | | --- | --- | | D. | All of the above | |

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| 149. | 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 | |

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| 150. | 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 | |

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| 151. | 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 | |

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| 152. | 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. | |

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| 153. | 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 stands for?      |  |  | | --- | --- | | A. | Management Information Strategy. |  |  |  | | --- | --- | | B. | Management Intelligence System. |  |  |  | | --- | --- | | C. | Management Information System. |  |  |  | | --- | --- | | D. | Management Information Strategist. | |

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| 154. | 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. | |

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| 155. | 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). | |

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| 156. | 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). | |

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| 157. | 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). | |

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| 158. | 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). | |

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| 159. | 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 Officer (CSO). |  |  |  | | --- | --- | | C. | Chief Technology Officer (CTO). |  |  |  | | --- | --- | | D. | Chief Information Officer (CIO). | |

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| 160. | 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). | |

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| 161. | 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 interdepartmentally includes \_\_\_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | System processes. |  |  |  | | --- | --- | | B. | Human resources. |  |  |  | | --- | --- | | C. | Management information systems. |  |  |  | | --- | --- | | D. | Resource information systems. | |

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| 162. | 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). | |

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| 163. | 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. | |

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| 164. | 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. | |

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| 165. | 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). | |

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| 166. | 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. | |

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| 167. | 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 the above. | |

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| 168. | 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. | |

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| 169. | 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. | |

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| 170. | 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). | |

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| 171. | 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. | |

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| 172. | 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. | |

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| 173. | 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. | |

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| 174. | 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. | |

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| 175. | 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. | |

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| 176. | 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. | |

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| 177. | 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. | |

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| 178. | 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. | |

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| 179. | 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. | |

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| 180. | 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. | |

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| 181. | 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. | |

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| 182. | 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. | |

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| 183. | 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. | |

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| 184. | 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. | |

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| 185. | 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 – the online self-service software. |  |  |  | | --- | --- | | B. | Apple – iPad. |  |  |  | | --- | --- | | C. | Apple – iPod. |  |  |  | | --- | --- | | D. | Microsoft - Bing Search Engine. | |

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| 186. | 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 the above. | |

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| 187. | Competitive intelligence is the process of gathering information about the competitive environment, including \_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Competitors' employees. |  |  |  | | --- | --- | | B. | Competitors' differentiated processes. |  |  |  | | --- | --- | | C. | Competitors' plans. |  |  |  | | --- | --- | | D. | All of the above. | |

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| 188. | 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. | |

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| 189. | Identifying competitive advantages can be difficult and explains why they are typically \_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Temporary. |  |  |  | | --- | --- | | B. | Satisfactory. |  |  |  | | --- | --- | | C. | Terminated. |  |  |  | | --- | --- | | D. | Unsuccessful. | |

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| 190. | 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. | |

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| 191. | 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 the above. | |

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| 192. | 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. | |

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| 193. | 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 | |

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| 194. | Greg Provenzo owns and runs a Blockbuster video store. Greg is implementing a drive-thru rental process that is the same as you would find at a fast food restaurant. Customers can pick-up and drop-off their videos without leaving their cars. Greg's new system has become so popular that Videos Plus, a competitor down the street, is attempting to recreate Greg's video drive-thru rental process. Greg's system is an example of a \_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Supply chain power. |  |  |  | | --- | --- | | B. | First-mover advantage. |  |  |  | | --- | --- | | C. | Business processing strategy. |  |  |  | | --- | --- | | D. | Business Intelligence. | |

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| 195. | 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. | |

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| 196. | Steve Jobs and Apple created a big advantage in the technology industry with the introduction of the iPod, iPhone, and iPad. What are these all examples of?      |  |  | | --- | --- | | A. | Competitive advantage |  |  |  | | --- | --- | | B. | Competitive intelligence |  |  |  | | --- | --- | | C. | First-mover advantage |  |  |  | | --- | --- | | D. | All of the above | |

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| 197. | Paula Logston is the owner and operator of a high-end online custom clothing company. Paula has never heard of Porter's Five Forces model and she wants to understand why she would perform an analysis using it. If you were tasked with explaining Porter's Five Forces model to Paula what would be the primary reason she would want to use this type of analysis?      |  |  | | --- | --- | | A. | To help Paula choose a clothing business focus. |  |  |  | | --- | --- | | B. | To help Paula evaluate the attractiveness of the clothing industry. |  |  |  | | --- | --- | | C. | To help Paula evaluate and execute business goals. |  |  |  | | --- | --- | | D. | All of the above. | |

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| 198. | 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 | |

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| 199. | 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. | |

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| 200. | 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 | |

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| 201. | 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 | |

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| 202. | 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. | |

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| 203. | Which of the following is included in Porter's Five Forces Model?      |  |  | | --- | --- | | A. | Loyalty expenses. |  |  |  | | --- | --- | | B. | Supply chain management. |  |  |  | | --- | --- | | C. | The power of competitors. |  |  |  | | --- | --- | | D. | Systems thinking. | |

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| 204. | 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. | |

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| 205. | 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. | |

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| 206. | 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. | |

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| 207. | 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. | |

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| 208. | 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. | |

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| 209. | 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 | |

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| 210. | 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. | |

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| 211. | 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. | |

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| 212. | 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 the above. | |

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| 213. | When buyer power is low, supplier power is typically \_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Identical. |  |  |  | | --- | --- | | B. | High. |  |  |  | | --- | --- | | C. | Low. |  |  |  | | --- | --- | | D. | Unstable. | |

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| 214. | 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. | |

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| 215. | 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. | |

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| 216. | 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. | |

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| 217. | 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. | |

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| 218. | 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. | |

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| 219. | 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 the above depending on the time of year. | |

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| 220. | 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 the above depending on the time of year. | |

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| 221. | 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 the above. | |

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| 222. | 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. | |

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| 223. | 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 this 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. | |

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| 224. | 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. | |

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| 225. | 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, Beyonce, The Beatles, The Stones. | |

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| 226. | 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. | |

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| 227. | 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, Beyonce, The Beatles, The Stones. | |

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| 228. | 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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| 229. | 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. | |

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| 230. | 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. | |

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| 231. | 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. | |

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| 232. | 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. | |

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| 233. | 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. | |

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| 234. | 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. | |

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| 235. | 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. | |

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| 236. | 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. | Focused strategy |  |  |  | | --- | --- | | D. | None of the above | |

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| 237. | 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. | |

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| 238. | 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 the above | |

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| 239. | 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. | |

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| 240. | 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. | |

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| 241. | 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. | |

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| 242. | 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. | |

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| 243. | 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. | |

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| 244. | Your boss, Tom Repicci, 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 the above. | |

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| 245. | Your boss, Tom Repicci, 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 the above. | |

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| 246. | Your boss, Tom Repicci, 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 the above. | |

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| 247. | 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. | |

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| 248. | 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. | |

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| 249. | 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. | |

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| 250. | What is a standardized set of activities that accomplishes a specific task?      |  |  | | --- | --- | | A. | Business strategy. |  |  |  | | --- | --- | | B. | Business outcome. |  |  |  | | --- | --- | | C. | Business process. |  |  |  | | --- | --- | | D. | Knowledge process. | |

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| 251. | 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. | |

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| 252. | 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 | |

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| 253. | 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 the above. | |

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| 254. | 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. | |

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| 255. | 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. | |

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| 256. | 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. | |

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| 257. | 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. | |

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| 258. | 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. | |

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| 259. | 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. | |

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| 260. | 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 the above. | |

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| 261. | 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. | |

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| 262. | 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. | |

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| 263. | A \_\_\_\_\_\_\_\_\_\_\_\_ is the confirmation or validation of an event or object.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 264. | The core drivers of the information age are data, knowledge, business intelligence and \_\_\_\_\_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 265. | Today's workers are commonly referred to as \_\_\_\_\_\_\_\_\_\_\_\_\_ workers who use business intelligence along with personal experience to make decisions.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 266. | The information \_\_\_\_\_\_\_\_\_\_ is when infinite quantities of fact are widely available to anyone who can use a computer.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 267. | Amazon is not a \_\_\_\_\_ company but it used technology to revamp the book selling business.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 268. | \_\_\_\_\_\_\_\_\_\_\_ is not a technology company but it used technology to revamp the video rental business.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 269. | \_\_\_\_\_\_\_\_\_\_\_ is not a technology company but it used technology to revamp the shoe business.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 270. | Listing products that are about to expire first on the menu or creating them as a daily special to move the product is considered a type of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 271. | Best-selling product by month compared to sports season and city team wins and losses is considered a type of business \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 272. | Companies are organized by departments. The \_\_\_\_\_\_\_\_\_\_ department is responsible for maintaining records, measures, and reports monetary transactions.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 273. | The \_\_\_\_\_\_\_\_\_\_ management department in a company manages the process of converting or transforming of resources into goods or services.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 274. | The \_\_\_\_\_\_\_\_\_\_ department tracks strategic financial issues including money, banking, credit, investments, and assets.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 275. | The \_\_\_\_\_\_\_\_\_\_ resources department maintains policies, plans, and procedures for a company.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 276. | \_\_\_\_\_\_\_\_\_\_\_\_ is information that returns to its original transmitter and modifies the transmitter's actions.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 277. | A \_\_\_\_\_\_\_\_\_\_ is a collection of parts that link to achieve a common purpose.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 278. | A \_\_\_\_\_\_\_\_\_\_ strategy is a leadership plan that achieves a specific set of goals or objectives.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 279. | \_\_\_\_\_\_\_\_\_ are material items or products that customers will buy to satisfy a want or need.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 280. | \_\_\_\_\_\_\_\_\_\_ are tasks performed by people that customers will buy to satisfy a want r need.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 281. | \_\_\_\_\_\_\_\_\_\_\_\_ is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 282. | \_\_\_\_\_\_\_\_\_\_ is the rate at which goods and services are produced based upon total output given total inputs.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 283. | A car is an example of a \_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 284. | A hair cut is an example of a \_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 285. | The Chief Information Officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with \_\_\_\_\_\_\_\_\_ goals and objectives.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 286. | The Chief Security Officer is responsible for ensuring the \_\_\_\_\_\_\_\_\_\_ of business systems and developing strategies and safeguards against attacks by hackers and viruses.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 287. | The Chief \_\_\_\_\_\_\_\_\_\_\_ Officer is responsible for collecting, maintaining, and distributing company knowledge.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 288. | The Chief \_\_\_\_\_\_\_\_\_\_\_ Officer is responsible for ensuring the speed, accuracy, availability, and reliability of the MIS.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 289. | The Chief \_\_\_\_\_\_\_\_\_\_ Officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 290. | The Chief \_\_\_\_\_\_\_\_\_ Officer is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 291. | Business strategies that match \_\_\_\_\_\_\_ company competencies to opportunities result in a competitive advantage.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 292. | Competitive \_\_\_\_\_\_\_\_\_\_ is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 293. | Apple utilized the first-mover \_\_\_\_\_\_\_\_ with its iPod product.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 294. | \_\_\_\_\_\_\_\_ costs is a common business strategy.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 295. | \_\_\_\_\_\_\_\_\_ new customers is a common business strategy.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 296. | \_\_\_\_\_\_\_\_\_ new markets is a common business strategy.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 297. | Michael Porter identified pressures that can hurt potential sales. Knowledgeable customers can force \_\_\_\_\_\_\_\_\_\_ prices by pitting rivals against each other.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 298. | The Porter's Five Forces Model analyzes the competitive forces within the environment in which a company operates to assess the potential for \_\_\_\_\_\_\_\_\_\_ in an industry.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 299. | \_\_\_\_\_\_\_\_\_\_ power measures the ability of buyers to affect the price they must pay for an item.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 300. | The threat of substitute products or services is \_\_\_\_\_ 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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| 301. | The \_\_\_\_\_\_\_\_\_\_ chain consists of all parties involved, directly or indirectly, in obtaining raw materials or a product.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 302. | Rivalry among existing competitors is \_\_\_\_\_\_\_\_\_\_ when competition is fierce in a market and low when competitors are more complacent.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 303. | Porter has identified three \_\_\_\_\_\_\_\_\_ business strategies for entering a new market: 1) broad cost leadership, 2) broad differentiation, and 3) focused strategy.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 304. | Focused strategies concentrate on either cost leadership or \_\_\_\_\_\_\_\_\_\_\_.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 305. | Porter suggests adopting only \_\_\_\_\_\_\_\_\_\_ of the three generic strategies.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 306. | A \_\_\_\_\_\_\_\_\_\_ chain analysis views a firm as a series of business processes that each adds value to the product or service.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 307. | \_\_\_\_\_\_\_\_\_\_ value activities 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.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 308. | \_\_\_\_\_\_\_\_\_\_\_ value activities are found along the top of the value chain and include business processes, such as firm infrastructure, human resource management, technology development, and procurement that support the primary value activities.    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

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| 309. | Describe the information age and the differences between data, information, business intelligence, and knowledge. |

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| 310. | Identify the different departments in a company and why they must work together to achieve success. |

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| 311. | Explain systems thinking and how management information systems enable business communications. |

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| 312. | Explain why competitive advantages are temporary. |

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| 313. | Describe Porter's Five Forces Model and explain each of the five forces. |

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| 314. | Compare Porter's three generic strategies. |

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| 315. | Demonstrate how a company can add value by using Porter's value chain analysis. |

CHAPTER 1: Management Information Systems: Business Driven MIS Key

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| 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #1 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 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 not competitive intelligence. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #2 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 3. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #3 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 4. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #4 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 5. | 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 profitable not unprofitable. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #5 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 6. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #6 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 7. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #7 Blooms: Understand Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 8. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #8 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 9. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #9 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 10. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #10 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 11. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #11 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 12. | Knowledge workers are individuals valued for their ability to manage teams and implement critical human resource rules and regulations.    **FALSE**  Knowledge workers are individuals valued for their ability to interpret and analyze information. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #12 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 13. | Using data and information 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.    **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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #13 Blooms: Understand Difficulty: 3 Hard Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 14. | Companies update business strategies continuously as internal and external environments change.    **TRUE**  Companies update business strategies continuously as internal and external environments change. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #14 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 15. | The finance department performs the function of selling goods or services.    **FALSE**  The sales department performs the function of selling goods or services. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #15 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 16. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #16 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 17. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #17 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 18. | The accounting and finance departments primarily use monetary data.    **TRUE**  The accounting and finance departments primarily use monetary data. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #18 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 19. | The sales and marketing departments primarily use production data.    **FALSE**  The sales and marketing departments primarily use transactional data. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #19 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 20. | 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". |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #20 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 21. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #21 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 22. | An overview of systems thinking includes input, process, output, and finances.    **FALSE**  An overview of systems thinking includes input, process, output, and feedback. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #22 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 23. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #23 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 24. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #24 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 25. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #25 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 26. | The chief technology officer is responsible for ensuring the speed, accuracy, availability, and reliability for MIS.    **TRUE**  The chief technology officer is responsible for ensuring the speed, accuracy, availability, and reliability for MIS. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #26 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 27. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #27 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 28. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #28 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 29. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #29 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 30. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #30 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 31. | 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 customers will buy to satisfy a want or need. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #31 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 32. | Cars, groceries, and clothing are all examples of goods.    **TRUE**  Cars, groceries, and clothing are all examples of goods. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #32 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 33. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #33 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 34. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #34 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 35. | Lettuce, tomatoes, patty, bun, and ketchup are included in the process of making a hamburger.    **FALSE**  Lettuce, tomatoes, patty, bun, and ketchup are included as inputs of making a hamburger. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #35 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 36. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #36 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 37. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #37 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 38. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #38 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 39. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #39 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 40. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #40 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 41. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #41 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 42. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #42 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 43. | To combat business challenges leaders communicate and execute business strategies from the Greek word stratus for army and ago for leading.    **TRUE**  To combat business challenges leaders communicate and execute business strategies from the Greek word stratus for army and ago for leading. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #43 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 44. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #44 Blooms: Remember Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 45. | Attracting new customers, decreasing costs, and entering new markets are all examples of business strategies.    **TRUE**  Attracting new customers, decreasing costs, and entering new markets are all examples of business strategies. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #45 Blooms: Remember Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 46. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #46 Blooms: Remember Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 47. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #47 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 48. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #48 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 49. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #49 Blooms: Remember Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 50. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #50 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 51. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #51 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 52. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #52 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 53. | There are many challenges to changing doctors, including transferring medical records and losing the patient-doctor 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #53 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 54. | 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). |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #54 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 55. | 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 threat of new entrants.    **FALSE**  This is an example of Porter's threat of substitute products or services. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #55 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 56. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #56 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 57. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #57 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 58. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #58 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 59. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #59 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 60. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #60 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 61. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #61 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 62. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #62 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 63. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #63 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 64. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #64 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 65. | Buyer power is included as one of Porter's three generic strategies.    **FALSE**  Buyer power is included as one of Porter's five forces. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #65 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 66. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #66 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 67. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #67 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 68. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #68 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 69. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #69 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 70. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #70 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 71. | Inbound logistics and operations are part of the primary value activities.    **TRUE**  Inbound logistics and operations are part of the primary value activities. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #71 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 72. | Inbound logistics and operations are part of the support value activities.    **FALSE**  Inbound logistics and operations are part of the primary value activities. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #72 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 73. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #73 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 74. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #74 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 75. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #75 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 76. | Which of the following is not considered a core driver of the information age?      |  |  | | --- | --- | | A. | Information. |  |  |  | | --- | --- | | B. | Business Intelligence. |  |  |  | | --- | --- | | C. | Knowledge. |  |  |  | | --- | --- | | **D.** | All of the above. |   The core drivers of the information age include data, information, business intelligence, and knowledge. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #76 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 77. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #77 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 78. | Which of the following is considered a core driver of the information age?      |  |  | | --- | --- | | A. | Information. |  |  |  | | --- | --- | | B. | Business Intelligence. |  |  |  | | --- | --- | | C. | Knowledge. |  |  |  | | --- | --- | | **D.** | All of the above. |   The core drivers of the information age include data, information, business intelligence, and knowledge. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #78 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 79. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #79 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 80. | 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 the above. |   Information technology is everywhere in business, frequently discussed in business, and frequently used in organizations. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #80 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 81. | What is the confirmation or validation of an event or object?      |  |  | | --- | --- | | **A.** | Fact. |  |  |  | | --- | --- | | B. | Data. |  |  |  | | --- | --- | | C. | Information technology. |  |  |  | | --- | --- | | D. | All of the above. |   A fact is the confirmation or validation of an event or object. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #81 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 82. | 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. | All of the above. |   The information age has infinite quantities of facts that are widely available to anyone who can use a computer. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #82 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 83. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #83 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 84. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #84 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 85. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #85 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 86. | 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. |   Raw facts that describe the characteristics of an event or object is data. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #86 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 87. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #87 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 88. | 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, that creates a person's intellectual resources. |   Information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #88 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 89. | Which of the following is considered information?      |  |  | | --- | --- | | A. | Quantity sold |  |  |  | | --- | --- | | B. | Date sold |  |  |  | | --- | --- | | **C.** | Best-selling item by month |  |  |  | | --- | --- | | D. | All of the above |   Best-selling item by month is information. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #89 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 90. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #90 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 91. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #91 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 92. | 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.** | 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. |   Best-selling product by day is an example of information. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #92 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 93. | 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. | 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. |   Knowledge would include knowing that the best baker is Tony and that when he works the best selling product changes. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #93 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 94. | 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.** | 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. |   Comparing the costs of supplies including energy over the last five years to determine the best-selling product by month. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #94 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 95. | 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 the above |   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? |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #95 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 96. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #96 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 97. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #97 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 98. | 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 the above. |   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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #98 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 99. | Knowledge includes the skills, experience, and expertise coupled with information and \_\_\_\_\_\_\_\_\_ that creates a person's intellectual resources.      |  |  | | --- | --- | | A. | Resources. |  |  |  | | --- | --- | | **B.** | Intelligence. |  |  |  | | --- | --- | | C. | Expectations. |  |  |  | | --- | --- | | D. | Enterprise information. |   The definition of knowledge is skills, experience, and expertise coupled with information and intelligence that creates a person's intellectual resources. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #99 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 100. | Which of the following is not a topic associated with the information age?      |  |  | | --- | --- | | A. | Collection of data. |  |  |  | | --- | --- | | B. | Storage of data. |  |  |  | | --- | --- | | **C.** | College statistics for data. |  |  |  | | --- | --- | | D. | Use of data. |   We live in the information age where the collection, storage, and the use of data are hot topics. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #100 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 101. | Which of the following represents the core drivers 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #101 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 102. | Which of the following is not a core driver of the information age?      |  |  | | --- | --- | | A. | Information. |  |  |  | | --- | --- | | B. | Knowledge. |  |  |  | | --- | --- | | **C.** | Fact. |  |  |  | | --- | --- | | D. | Data. |   The core drivers of the information age are data, information, business intelligence, and knowledge. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #102 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 103. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #103 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 104. | 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. | All of the above |   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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #104 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 105. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #105 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 106. | 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. | Vulnerable. |   A variable is a data characteristic that stands for a value that changes or varies over time. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #106 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 107. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #107 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 108. | What is data converted into a meaningful and useful context called?      |  |  | | --- | --- | | A. | Competitive intelligence. |  |  |  | | --- | --- | | **B.** | Information. |  |  |  | | --- | --- | | C. | Buyer power. |  |  |  | | --- | --- | | D. | First-mover advantage. |   Information is data converted into a meaningful and useful context. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #108 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 109. | As companies move from data to knowledge, they will start to include more and more variables for analysis resulting in better, more precise support for\_\_\_\_\_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Decision making. |  |  |  | | --- | --- | | B. | Problem solving. |  |  |  | | --- | --- | | **C.** | Both A & B. |  |  |  | | --- | --- | | D. | None of the above. |   As companies move from data to knowledge they will start to include more and more variables for analysis resulting in better, more precise support for 1) decision making, and 2) problem solving. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #109 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 110. | 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. | All of the above. |   Companies today are typically organized by departments or functional areas. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #110 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 111. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #111 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 112. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #112 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 113. | Which of the following is typically performed by the sales or marketing department?      |  |  | | --- | --- | | A. | Manage enterprise-wide processes. |  |  |  | | --- | --- | | B. | Maintain employment policies. |  |  |  | | --- | --- | | C. | Manage cross-enterprise processes. |  |  |  | | --- | --- | | **D.** | Maintain transactional data. |   Sales and marketing departments focus on moving goods or services into the hands of the consumers and maintain transactional data. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #113 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 114. | The sales department needs to rely on information from operations to understand \_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Inventory. |  |  |  | | --- | --- | | B. | Customer orders. |  |  |  | | --- | --- | | C. | Demand forecasts. |  |  |  | | --- | --- | | **D.** | All of the above. |   Sales needs to rely on information from operations to understand inventory, place orders, and forecast consumer demand. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #114 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 115. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #115 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 116. | 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. |  |  |  | | --- | --- | | C. | Marketing. |  |  |  | | --- | --- | | D. | CIO. |   Operations management manages the process of converting or transforming of resources into goods or services. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #116 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 117. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #117 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 118. | The department within a company that records, measures, and reports monetary transactions is called \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | **A.** | Accounting. |  |  |  | | --- | --- | | B. | Marketing. |  |  |  | | --- | --- | | C. | Finance. |  |  |  | | --- | --- | | D. | Operations Management. |   The department within a company that records, measures, and reports monetary transactions is accounting. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #118 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 119. | 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 within a company that performs the function of selling goods or services is sales. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #119 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 120. | 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 department with a company that supports the sales by planning, pricing, and promoting goods or services is marketing. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #120 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 121. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #121 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 122. | Which of the following represents the types of data commonly found in the accounting department?      |  |  | | --- | --- | | **A.** | Monetary data. |  |  |  | | --- | --- | | B. | Technology data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | D. | Employee data. |   Monetary data is most commonly found in the accounting department. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #122 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 123. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #123 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 124. | Which of the following represents the types of data commonly found in the human resource department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | B. | Technology data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | **D.** | Employee data. |   Employee data is most commonly found in the human resource department. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #124 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 125. | Which of the following represents the types of data commonly found in the sales department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | **B.** | Transactional data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | D. | Employee data. |   Transactional data is most commonly found in the sales department. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #125 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 126. | Which of the following represents the types of data commonly found in the marketing department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | **B.** | Transactional data. |  |  |  | | --- | --- | | C. | Production data. |  |  |  | | --- | --- | | D. | Employee data. |   Transactional data is most commonly found in the marketing department. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #126 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 127. | Which of the following represents the types of data commonly found in the operations management department?      |  |  | | --- | --- | | A. | Monetary data. |  |  |  | | --- | --- | | B. | Transactional data. |  |  |  | | --- | --- | | **C.** | Production data. |  |  |  | | --- | --- | | D. | Employee data. |   Production data is most commonly found in the operations management department. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #127 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 128. | Which of the following statements is true?      |  |  | | --- | --- | | A. | IT equals business success. |  |  |  | | --- | --- | | B. | IT equals business innovation. |  |  |  | | --- | --- | | C. | IT represents business success and innovation. |  |  |  | | --- | --- | | **D.** | IT enables business success and innovation. |   IT is an important enabler of business success and innovation. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #128 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 129. | What is the name of a company's internal MIS department?      |  |  | | --- | --- | | A. | Management information systems (MIS) |  |  |  | | --- | --- | | B. | Information systems (IS) |  |  |  | | --- | --- | | C. | Information technology (IT) |  |  |  | | --- | --- | | **D.** | All of the above |   Typical organizations have an internal MIS department often called Information Technology (IT), Information Systems (IS), or Management Information Systems (MIS). |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #129 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 130. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #130 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 131. | What are tasks performed by people that customers will buy to satisfy a want or need?      |  |  | | --- | --- | | A. | Goods |  |  |  | | --- | --- | | **B.** | Services |  |  |  | | --- | --- | | C. | Production |  |  |  | | --- | --- | | D. | Productivity |   Services are tasks performed by people that customers will buy to satisfy a want or need. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #131 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 132. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #132 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 133. | 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? |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #133 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 134. | What are goods?      |  |  | | --- | --- | | **A.** | Material items or products that customers will buy to satisfy a want or need. |  |  |  | | --- | --- | | B. | Tasks performed by people that customers 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 customers will buy to satisfy a want or need. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #134 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 135. | What are services?      |  |  | | --- | --- | | A. | Material items or products that customers will buy to satisfy a want or need. |  |  |  | | --- | --- | | **B.** | Tasks performed by people that customers 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 customers will buy to satisfy a want or need. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #135 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 136. | What is production?      |  |  | | --- | --- | | A. | Material items or products that customers will buy to satisfy a want or need. |  |  |  | | --- | --- | | B. | Tasks performed by people that customers 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #136 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 137. | What is productivity?      |  |  | | --- | --- | | A. | Material items or products that customers will buy to satisfy a want or need. |  |  |  | | --- | --- | | B. | Tasks performed by people that customers 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #137 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 138. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #138 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 139. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #139 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 140. | Which of the following is considered a good?      |  |  | | --- | --- | | A. | Cars |  |  |  | | --- | --- | | B. | Groceries |  |  |  | | --- | --- | | C. | Clothing |  |  |  | | --- | --- | | **D.** | All of the above |   Cars, groceries, and clothing belong in the goods category. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #140 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 141. | Which of the following is considered a service?      |  |  | | --- | --- | | A. | Teaching |  |  |  | | --- | --- | | B. | Waiting tables |  |  |  | | --- | --- | | C. | Cutting hair |  |  |  | | --- | --- | | **D.** | All of the above |   Teaching, waiting tables, and cutting hair belong in the services category. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #141 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 142. | Which of the following is considered a good?      |  |  | | --- | --- | | **A.** | Cars |  |  |  | | --- | --- | | B. | Teaching |  |  |  | | --- | --- | | C. | Waiting tables |  |  |  | | --- | --- | | D. | All of the above |   Cars, groceries, and clothing belong in the goods category. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #142 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 143. | Which of the following is considered a service?      |  |  | | --- | --- | | A. | Cars |  |  |  | | --- | --- | | B. | Groceries |  |  |  | | --- | --- | | **C.** | Cutting hair |  |  |  | | --- | --- | | D. | All of the above |   Teaching, waiting tables, and cutting hair belong in the services category. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #143 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 144. | Which of the following is considered a good?      |  |  | | --- | --- | | **A.** | Milk and eggs |  |  |  | | --- | --- | | B. | Managing a team |  |  |  | | --- | --- | | C. | Selling groceries |  |  |  | | --- | --- | | D. | All of the above |   Milk and eggs are groceries. Cars, groceries, and clothing belong in the goods category. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #144 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 145. | Which of the following is considered a service?      |  |  | | --- | --- | | A. | Selling groceries |  |  |  | | --- | --- | | B. | Managing a team |  |  |  | | --- | --- | | C. | Cutting hair |  |  |  | | --- | --- | | **D.** | All of the above |   Selling groceries, managing a team, teaching, waiting tables, and cutting hair belong in the services category. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #145 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 146. | Lettuce, tomatoes, patty, bun, and ketchup are included in which category of making a hamburger?      |  |  | | --- | --- | | **A.** | Input |  |  |  | | --- | --- | | B. | Process |  |  |  | | --- | --- | | C. | Output |  |  |  | | --- | --- | | D. | All of the above |   Lettuce, tomatoes, patty, bun, and ketchup are all included in the input category of making a hamburger. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #146 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 147. | 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 the above |   Cooking a patty and putting the ingredients together are all included in the process category of making a hamburger. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #147 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 148. | The actual hamburger is included in which category of making a hamburger?      |  |  | | --- | --- | | A. | Input |  |  |  | | --- | --- | | B. | Process |  |  |  | | --- | --- | | **C.** | Output |  |  |  | | --- | --- | | D. | All of the above |   The hamburger is the output in the process of making a hamburger. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #148 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 149. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #149 Blooms: Understand Difficulty: 3 Hard Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 150. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #150 Blooms: Understand Difficulty: 3 Hard Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 151. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #151 Blooms: Understand Difficulty: 3 Hard Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 152. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #152 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 153. | 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 stands for?      |  |  | | --- | --- | | A. | Management Information Strategy. |  |  |  | | --- | --- | | B. | Management Intelligence System. |  |  |  | | --- | --- | | **C.** | Management Information System. |  |  |  | | --- | --- | | D. | Management Information Strategist. |   Management Information Systems |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #153 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 154. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #154 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 155. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #155 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 156. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #156 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 157. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #157 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 158. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #158 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 159. | 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 Officer (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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #159 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 160. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #160 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 161. | 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 interdepartmentally includes \_\_\_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | System processes. |  |  |  | | --- | --- | | B. | Human resources. |  |  |  | | --- | --- | | **C.** | Management information systems. |  |  |  | | --- | --- | | D. | Resource information systems. |   Management information systems 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #161 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 162. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #162 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 163. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #163 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 164. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #164 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 165. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #165 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 166. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #166 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 167. | 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 the above. |   MIS is a business function, which moves information about people, products, and processes across the company to facilitate decision making and problem solving. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #167 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 168. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #168 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 169. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #169 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 170. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #170 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 171. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #171 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 172. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #172 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 173. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #173 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 174. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #174 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 175. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #175 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 176. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #176 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 177. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #177 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 178. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #178 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 179. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #179 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 180. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #180 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 181. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #181 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 182. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #182 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 183. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #183 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 184. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #184 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 185. | 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 – the 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #185 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 186. | 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 the above. |   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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #186 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 187. | Competitive intelligence is the process of gathering information about the competitive environment, including \_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Competitors' employees. |  |  |  | | --- | --- | | B. | Competitors' differentiated processes. |  |  |  | | --- | --- | | **C.** | Competitors' plans. |  |  |  | | --- | --- | | D. | All of the above. |   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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #187 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 188. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #188 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 189. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #189 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 190. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #190 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 191. | 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 the above. |   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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #191 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 192. | 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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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #192 Blooms: Understand Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 193. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #193 Blooms: Understand Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 194. | Greg Provenzo owns and runs a Blockbuster video store. Greg is implementing a drive-thru rental process that is the same as you would find at a fast food restaurant. Customers can pick-up and drop-off their videos without leaving their cars. Greg's new system has become so popular that Videos Plus, a competitor down the street, is attempting to recreate Greg's video drive-thru rental process. Greg's system is an example of a \_\_\_\_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Supply chain power. |  |  |  | | --- | --- | | **B.** | First-mover advantage. |  |  |  | | --- | --- | | C. | Business processing strategy. |  |  |  | | --- | --- | | D. | Business Intelligence. |   The first-mover advantage is an advantage that occurs when a company can significantly increase its market share by being first with a competitive advantage. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #194 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 195. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #195 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 196. | Steve Jobs and Apple created a big advantage in the technology industry with the introduction of the iPod, iPhone, and iPad. What are these all examples of?      |  |  | | --- | --- | | A. | Competitive advantage |  |  |  | | --- | --- | | B. | Competitive intelligence |  |  |  | | --- | --- | | C. | First-mover advantage |  |  |  | | --- | --- | | **D.** | All of the above |   Steve Jobs and Apple created a big advantage in the technology industry with their products the iPod, iPhone, and iPad. These are examples of competitive advantage, competitive intelligence, and first-mover advantage. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #196 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 197. | Paula Logston is the owner and operator of a high-end online custom clothing company. Paula has never heard of Porter's Five Forces model and she wants to understand why she would perform an analysis using it. If you were tasked with explaining Porter's Five Forces model to Paula what would be the primary reason she would want to use this type of analysis?      |  |  | | --- | --- | | A. | To help Paula choose a clothing business focus. |  |  |  | | --- | --- | | **B.** | To help Paula evaluate the attractiveness of the clothing industry. |  |  |  | | --- | --- | | C. | To help Paula evaluate and execute business goals. |  |  |  | | --- | --- | | D. | All of the above. |   One of the three tools company executives often use when analyzing competitive intelligence is the Five Forces model. This is used to evaluate industry attractiveness. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #197 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 198. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #198 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 199. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #199 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 200. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #200 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 201. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #201 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 202. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #202 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 203. | Which of the following is included in Porter's Five Forces Model?      |  |  | | --- | --- | | A. | Loyalty expenses. |  |  |  | | --- | --- | | B. | Supply chain management. |  |  |  | | --- | --- | | **C.** | The power of competitors. |  |  |  | | --- | --- | | D. | Systems thinking. |   In figure 1.8, Porter's five forces model outlines rivalry amongst existing competitors, the power of competitors. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #203 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 204. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #204 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 205. | 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 are Costs that make customers reluctant to switch to another product or service. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #205 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 206. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #206 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 207. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #207 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 208. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #208 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 209. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #209 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 210. | 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). |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #210 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 211. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #211 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 212. | 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 the above. |   If the supplier power is high, the supplier can influence the industry by, 1) charging higher prices, 2) limiting quality or services, 3) shifting costs to industry participants. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #212 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 213. | When buyer power is low, supplier power is typically \_\_\_\_\_\_.      |  |  | | --- | --- | | A. | Identical. |  |  |  | | --- | --- | | **B.** | High. |  |  |  | | --- | --- | | C. | Low. |  |  |  | | --- | --- | | D. | Unstable. |   When buyer power is low, supplier power is typically high. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #213 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 214. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #214 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 215. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #215 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 216. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #216 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 217. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #217 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 218. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #218 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 219. | 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 the above 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #219 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 220. | 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 the above 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #220 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 221. | 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 the above. |   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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #221 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 222. | 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 4) department of Motor Vehicles. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #222 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 223. | 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 this 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #223 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 224. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #224 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 225. | 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, Beyonce, The Beatles, The Stones. |   An example of supplier power in the music industry includes established record labels like EMI, Sony, and Universal. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #225 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 226. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #226 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 227. | 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, Beyonce, The Beatles, The Stones. |   Game systems like Wii and social networks offer alternatives or substitute products to purchasing music for a consumer. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #227 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 228. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #228 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 229. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #229 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 230. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #230 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 231. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #231 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 232. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #232 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 233. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #233 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 234. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #234 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 235. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #235 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 236. | 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.** | Focused strategy |  |  |  | | --- | --- | | D. | None of the above |   The three strategies proposed by Porter are 1) broad cost leadership, 2) broad differentiation, and 3) focused strategy. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #236 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 237. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #237 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 238. | 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 the above |   According to Porter broad markets should utilize cost leadership with a low cost and differentiation with a high cost. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #238 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 239. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #239 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 240. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #240 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 241. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #241 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 242. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #242 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 243. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #243 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 244. | Your boss, Tom Repicci, 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 the above. |   Southwest, Horizon, Frontier, and JetBlue all use cost leadership business strategies. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #244 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 245. | Your boss, Tom Repicci, 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 the above. |   British Airways, Singapore Airlines, and Virgin Atlantic all compete using differentiation strategies. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #245 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 246. | Your boss, Tom Repicci, 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 the above. |   Sky Taxi is using a focused-strategy targeting individuals that want to hire private planes. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #246 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 247. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #247 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 248. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #248 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 249. | 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 |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #249 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 250. | 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 is a: |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #250 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 251. | 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 adds value to the product or service. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #251 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 252. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #252 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 253. | 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 the above. |   The value chain groups a firm's activities into two categories, primary value activities, and support value activities. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #253 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 254. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #254 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 255. | 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 include business processes, such as firm infrastructure, human resource management, technology development, and procurement that support the primary value activities. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #255 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 256. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #256 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 257. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #257 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 258. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #258 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 259. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #259 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 260. | 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 the above. |   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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #260 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 261. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #261 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 262. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #262 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 263. | A \_\_\_\_\_\_\_\_\_\_\_\_ is the confirmation or validation of an event or object.    **Fact** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #263 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 264. | The core drivers of the information age are data, knowledge, business intelligence and \_\_\_\_\_\_\_\_\_\_\_\_\_.    **Information** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #264 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 265. | Today's workers are commonly referred to as \_\_\_\_\_\_\_\_\_\_\_\_\_ workers who use business intelligence along with personal experience to make decisions.    **Knowledge** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #265 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 266. | The information \_\_\_\_\_\_\_\_\_\_ is when infinite quantities of fact are widely available to anyone who can use a computer.    **Age** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #266 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 267. | Amazon is not a \_\_\_\_\_ company but it used technology to revamp the book selling business.    **Technology** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #267 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 268. | \_\_\_\_\_\_\_\_\_\_\_ is not a technology company but it used technology to revamp the video rental business.    **Netflix** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #268 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 269. | \_\_\_\_\_\_\_\_\_\_\_ is not a technology company but it used technology to revamp the shoe business.    **Zappos** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #269 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 270. | Listing products that are about to expire first on the menu or creating them as a daily special to move the product is considered a type of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.    **Knowledge** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #270 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 271. | Best-selling product by month compared to sports season and city team wins and losses is considered a type of business \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.    **Intelligence** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #271 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 272. | Companies are organized by departments. The \_\_\_\_\_\_\_\_\_\_ department is responsible for maintaining records, measures, and reports monetary transactions.    **Accounting** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #272 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 273. | The \_\_\_\_\_\_\_\_\_\_ management department in a company manages the process of converting or transforming of resources into goods or services.    **Operations** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #273 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 274. | The \_\_\_\_\_\_\_\_\_\_ department tracks strategic financial issues including money, banking, credit, investments, and assets.    **Finance** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #274 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 275. | The \_\_\_\_\_\_\_\_\_\_ resources department maintains policies, plans, and procedures for a company.    **Human** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #275 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 276. | \_\_\_\_\_\_\_\_\_\_\_\_ is information that returns to its original transmitter and modifies the transmitter's actions.    **Feedback** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #276 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 277. | A \_\_\_\_\_\_\_\_\_\_ is a collection of parts that link to achieve a common purpose.    **System** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #277 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 278. | A \_\_\_\_\_\_\_\_\_\_ strategy is a leadership plan that achieves a specific set of goals or objectives.    **Business** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #278 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 279. | \_\_\_\_\_\_\_\_\_ are material items or products that customers will buy to satisfy a want or need.    **Goods** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #279 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 280. | \_\_\_\_\_\_\_\_\_\_ are tasks performed by people that customers will buy to satisfy a want r need.    **Services** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #280 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 281. | \_\_\_\_\_\_\_\_\_\_\_\_ is the process where a business takes raw materials and processes them or converts them into a finished product for its goods or services.    **Production** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #281 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 282. | \_\_\_\_\_\_\_\_\_\_ is the rate at which goods and services are produced based upon total output given total inputs.    **Productivity** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #282 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 283. | A car is an example of a \_\_\_\_\_\_\_\_\_.    **Good** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #283 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 284. | A hair cut is an example of a \_\_\_\_\_\_\_\_\_.    **Service** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #284 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 285. | The Chief Information Officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with \_\_\_\_\_\_\_\_\_ goals and objectives.    **Business** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #285 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 286. | The Chief Security Officer is responsible for ensuring the \_\_\_\_\_\_\_\_\_\_ of business systems and developing strategies and safeguards against attacks by hackers and viruses.    **Security** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #286 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 287. | The Chief \_\_\_\_\_\_\_\_\_\_\_ Officer is responsible for collecting, maintaining, and distributing company knowledge.    **Knowledge** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #287 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 288. | The Chief \_\_\_\_\_\_\_\_\_\_\_ Officer is responsible for ensuring the speed, accuracy, availability, and reliability of the MIS.    **Technology** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #288 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 289. | The Chief \_\_\_\_\_\_\_\_\_\_ Officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.    **Information** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #289 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 290. | The Chief \_\_\_\_\_\_\_\_\_ Officer is responsible for ensuring the security of business systems and developing strategies and safeguards against attacks by hackers and viruses.    **Security** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #290 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 291. | Business strategies that match \_\_\_\_\_\_\_ company competencies to opportunities result in a competitive advantage.    **Core** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #291 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 292. | Competitive \_\_\_\_\_\_\_\_\_\_ is the process of gathering information about the competitive environment, including competitors' plans, activities, and products, to improve a company's ability to succeed.    **Intelligence** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #292 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 293. | Apple utilized the first-mover \_\_\_\_\_\_\_\_ with its iPod product.    **Advantage** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #293 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 294. | \_\_\_\_\_\_\_\_ costs is a common business strategy.    **Decreasing** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #294 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 295. | \_\_\_\_\_\_\_\_\_ new customers is a common business strategy.    **Attracting** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #295 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 296. | \_\_\_\_\_\_\_\_\_ new markets is a common business strategy.    **Entering** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #296 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 297. | Michael Porter identified pressures that can hurt potential sales. Knowledgeable customers can force \_\_\_\_\_\_\_\_\_\_ prices by pitting rivals against each other.    **Down** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #297 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 298. | The Porter's Five Forces Model analyzes the competitive forces within the environment in which a company operates to assess the potential for \_\_\_\_\_\_\_\_\_\_ in an industry.    **Profitability** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #298 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 299. | \_\_\_\_\_\_\_\_\_\_ power measures the ability of buyers to affect the price they must pay for an item.    **Buyer** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #299 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 300. | The threat of substitute products or services is \_\_\_\_\_ when there are many alternatives to a product or service and low when there are few alternatives from which to choose.    **High** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #300 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 301. | The \_\_\_\_\_\_\_\_\_\_ chain consists of all parties involved, directly or indirectly, in obtaining raw materials or a product.    **Supply** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #301 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 302. | Rivalry among existing competitors is \_\_\_\_\_\_\_\_\_\_ when competition is fierce in a market and low when competitors are more complacent.    **High** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #302 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 303. | Porter has identified three \_\_\_\_\_\_\_\_\_ business strategies for entering a new market: 1) broad cost leadership, 2) broad differentiation, and 3) focused strategy.    **Generic** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #303 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 304. | Focused strategies concentrate on either cost leadership or \_\_\_\_\_\_\_\_\_\_\_.    **Differentiation**  Focused strategies concentrate on either cost leadership or differentiation. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #304 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 305. | Porter suggests adopting only \_\_\_\_\_\_\_\_\_\_ of the three generic strategies.    **One** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #305 Blooms: Understand Difficulty: 2 Medium Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 306. | A \_\_\_\_\_\_\_\_\_\_ chain analysis views a firm as a series of business processes that each adds value to the product or service.    **Value** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #306 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 307. | \_\_\_\_\_\_\_\_\_\_ value activities 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.    **Primary** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #307 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 308. | \_\_\_\_\_\_\_\_\_\_\_ value activities are found along the top of the value chain and include business processes, such as firm infrastructure, human resource management, technology development, and procurement that support the primary value activities.    **Support** |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #308 Blooms: Remember Difficulty: 1 Easy Learning Outcome: 01-07 Topic: Value Chain Analysis* |

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| 309. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #309 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-01 Topic: Competing in the Information Age* |

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| 310. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #310 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-02 Topic: The Challenge Departmental Companies* |

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| 311. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #311 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-03 Topic: The Solution Management Information Systems* |

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| 312. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #312 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-04 Topic: Identifying Competitive Advantages* |

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| 313. | 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #313 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-05 Topic: The Five Forces Model* |

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| 314. | 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, (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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #314 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-06 Topic: The Three Generics Strategies* |

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| 315. | 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 adds 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. |

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| *AACSB: Reflective Thinking AACSB: Technology Baltzan - CHAPTER 1 #315 Blooms: Analyze Difficulty: 3 Hard Learning Outcome: 01-07 Topic: Value Chain Analysis* |

CHAPTER 1: Management Information Systems: Business Driven MIS Summary

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