Student name:\_\_\_\_\_\_\_\_\_\_

**1)** Describe the information age and the differences between data, information, business intelligence, and knowledge.

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

**3)** Explain the concept of data silos and provide an example of their effect on a company.

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

**5)** Explain systems thinking and how management information systems enable business communications.

**6)** Explain why competitive advantages are temporary.

**7)** Describe Porter’s Five Forces Model and explain each of the five forces.

**8)** Compare Porter’s three generic strategies.

**9)** Demonstrate how a company can add value by using Porter’s value chain analysis.

**10)** Explain a digital value chain and explain how it benefits a company.

**11)** Which of the following is NOT considered a core driver of the information age?

A) information   
 B) business intelligence  
 C) competitive facts  
 D) data

**12)** Which of the following is NOT considered a core driver of the information age?

A) information   
 B) business intelligence  
 C) knowledge  
 D) variables

**13)** Which of the following is considered a core driver of the information age?

A) fact   
 B) goods  
 C) competitive intelligence  
 D) data

**14)** Which of the following is considered a core driver of the information age?

A) business analytics   
 B) unstructured data  
 C) analytics  
 D) knowledge

**15)** Why do students need to study management information systems?

A) Management information systems are everywhere in business.   
 B) Management information systems are rarely discussed in business.  
 C) Management information systems are rarely used in organizations.  
 D) Management information systems are found in only a few businesses.

**16)** What is the confirmation or validation of an event or object?

A) fact   
 B) data  
 C) data scientist  
 D) business intelligence

**17)** The age we live in has infinite quantities of facts that are widely available to anyone who can use a computer. What is this age called?

A) data age   
 B) information age  
 C) business intelligence age  
 D) data scientist age

**18)** Which of the following companies used technology to revamp the business process of selling books?

A) Netflix   
 B) Dell  
 C) Zappos  
 D) Amazon

**19)** Which of the following companies used technology to revamp the business process of renting videos?

A) Netflix   
 B) Dell  
 C) Zappos  
 D) Amazon

**20)** Which of the following companies used technology to revamp the business process of selling shoes?

A) Netflix   
 B) Dell  
 C) Zappos  
 D) Amazon

**21)** 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, which create a person’s intellectual resources

**22)** 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, which create a person’s intellectual resources

**23)** What is business intelligence?

A) raw facts that describe the characteristics of an event or object   
 B) data converted into a meaningful and useful context  
 C) information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making  
 D) skills, experience, and expertise, coupled with information and intelligence, which create a person’s intellectual resources

**24)** What is knowledge?

A) raw facts that describe the characteristics of an event or object   
 B) data converted into a meaningful and useful context  
 C) information collected from multiple sources that analyzes patterns, trends, and relationships for strategic decision making  
 D) skills, experience, and expertise, coupled with information and intelligence, which create a person’s intellectual resources

**25)** Which of the following is considered information?

A) quantity sold   
 B) date sold  
 C) best-selling item by month  
 D) product sold

**26)** 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

**27)** 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

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

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

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

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

**30)** 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 answers provide an example of turning data into information.

**31)** 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?

**32)** 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?

**33)** 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) supplier source systems   
 B) customer source systems  
 C) competitor source systems  
 D) All of the answers are correct.

**34)** Which of the following represents the core drives of the information age?

A) data, information, business intelligence, knowledge   
 B) fact, data, intelligence, experience  
 C) fact, intelligence, business skills, knowledge  
 D) data, intelligence, business information, knowledge

**35)** 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

**36)** 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) fact workers

**37)** 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

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

A) facts   
 B) variables  
 C) supplies  
 D) services

**39)** What is data converted into a meaningful and useful context?

A) competitive intelligence   
 B) information  
 C) buyer power  
 D) first-mover advantage

**40)** What is a world where interconnected, Internet-enabled devices or “things” can collect and share data without human intervention?

A) Internet of Things   
 B) predictive analytics  
 C) machine-to-machine  
 D) fourth industrial revolution

**41)** What refers to devices that connect directly to other devices?

A) information age   
 B) predictive analytics  
 C) machine-to-machine  
 D) descriptive analytics

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

A) Internet of Things   
 B) predictive analytics  
 C) machine-to-machine  
 D) fourth industrial revolution

**43)** What is the Internet of Things?

A) a world where interconnected, Internet-enabled devices or “things” can collect and share data without human intervention   
 B) extracts information from data and uses it to predict future trends and identify behavioral patterns  
 C) refers to devices that connect directly to other devices  
 D) opportunities to change the way people purchase books

**44)** Which of the following definitions describes machine-to-machine?

A) a world where interconnected, Internet-enabled devices or “things” can collect and share data without human intervention   
 B) extracts information from data and uses it to predict future trends and identify behavioral patterns  
 C) refers to devices that connect directly to other devices  
 D) opportunities to change the way people purchase books

**45)** What is predictive analytics?

A) a world where interconnected, Internet-enabled devices or “things” can collect and share data without human intervention   
 B) techniques that extract information from data and use it to predict future trends and identify behavioral patterns  
 C) refers to devices that connect directly to other devices  
 D) opportunities to change the way people purchase books

**46)** Who collects, queries, and consumes organizational data to uncover patterns and provide insights for strategic business decisions?

A) business intelligence manager   
 B) data scientist  
 C) data worker  
 D) data analyst

**47)** What role does a data analyst perform?

A) collects, queries, and consumes organizational data to uncover patterns and provide insights for strategic business decisions   
 B) extracts knowledge from data by performing statistical analysis, data mining, and advanced analytics on big data to identify trends, market changes, and other relevant information  
 C) records, measures, and reports monetary transactions  
 D) supports sales by planning, pricing, and promoting goods or services

**48)** What are the three key skills required for a data analyst?

A) understanding of math and statistics   
 B) coding skills to work with data  
 C) business area subject matter expertise  
 D) All of the answers are correct.

**49)** What is the science of fact-based decision making?

A) business intelligence   
 B) information  
 C) knowledge  
 D) analytics

**50)** What is the scientific process of transforming data into insight for making better decisions?

A) business analytics   
 B) descriptive analytics  
 C) prescriptive analytics  
 D) predictive analytics

**51)** What describes past performance and history?

A) diagnostic analytics   
 B) descriptive analytics  
 C) prescriptive analytics  
 D) predictive analytics

**52)** What extracts information from data and use it to predict future trends and identify behavioral patterns?

A) diagnostic analytics   
 B) descriptive analytics  
 C) prescriptive analytics  
 D) predictive analytics

**53)** What creates models indicating the best decision to make or course of action to take?

A) diagnostics analytics   
 B) descriptive analytics  
 C) prescriptive analytics  
 D) predictive analytics

**54)** What are business analytics?

A) the scientific process of transforming data into insight for making better decisions   
 B) describe past performance and history  
 C) extracts information from data and use it to predict future trends and identify behavioral patterns  
 D) creates models indicating the best decision to make or course of action to take

**55)** What are descriptive analytics?

A) examines data or content to answer the question, “Why did it happen?”   
 B) describe past performance and history  
 C) extracts information from data and use it to predict future trends and identify behavioral patterns  
 D) creates models indicating the best decision to make or course of action to take

**56)** What are diagnostic analytics?

A) examines data or content to answer the question, “Why did it happen?”   
 B) describe past performance and history  
 C) extracts information from data and use it to predict future trends and identify behavioral patterns  
 D) creates models indicating the best decision to make or course of action to take

**57)** What are predictive analytics?

A) examines data or content to answer the question, “Why did it happen?”   
 B) describe past performance and history  
 C) extracts information from data and use it to predict future trends and identify behavioral patterns  
 D) creates models indicating the best decision to make or course of action to take

**58)** What are prescriptive analytics?

A) examines data or content to answer the question, “Why did it happen?”   
 B) describe past performance and history  
 C) extracts information from data and use it to predict future trends and identify behavioral patterns  
 D) creates models indicating the best decision to make or course of action to take

**59)** What are the four primary areas of analytics?

A) descriptive analytics, diagnostics analytics, predictive analytics, prescriptive analytics   
 B) descriptive analytics, primary analytics, secondary analytics, response analytics  
 C) descriptive analytics, diagnostics analytics, future analytics, past analytics  
 D) technique analytics, diagnostics analytics, future analytics, past analytics

**60)** What are the human, structural, and recorded resources available to the organization?

A) knowledge assets   
 B) knowledge facilitators  
 C) predictive analytics  
 D) business analytics

**61)** What resides within the minds of members, customers, and colleagues and include physical structures and recorded media?

A) knowledge assets   
 B) knowledge facilitators  
 C) predictive analytics  
 D) business analytics

**62)** What helps harness the wealth of knowledge in the organization?

A) knowledge assets   
 B) knowledge facilitators  
 C) data analysts  
 D) business analytics

**63)** What helps acquire and catalog the knowledge assets in an organization?

A) knowledge assets   
 B) knowledge facilitators  
 C) predictive analytics  
 D) business analytics

**64)** What data is created by a machine without human intervention?

A) human-generated   
 B) machine-generated  
 C) structured data  
 D) facts

**65)** What data is generated by humans in interaction with computers?

A) human-generated   
 B) machine-generated  
 C) machine-to-machine  
 D) big data

**66)** What type of structured data includes sensor data, point-of-sale data, and web log data?

A) human-generated   
 B) machine-generated  
 C) collective intelligence  
 D) systems thinking

**67)** What type of structured data includes input data, click-stream data, or gaming data?

A) human-generated   
 B) machine-generated  
 C) machine-to-machine (M2M)  
 D) systems thinking

**68)** Which of the following describes structured data?

A) data that has a defined length, type, and format   
 B) data that includes numbers, dates, or strings such as Customer Address  
 C) data that is typically stored in a relational database or spreadsheet  
 D) All of the answers are correct.

**69)** What refers to devices that connect directly to other devices?

A) human-generated   
 B) machine-generated  
 C) machine-to-machine  
 D) systems thinking

**70)** What is the characteristic of unstructured data?

A) does not follow a specified format   
 B) free-form text  
 C) emails, Twitter tweets, and text messages  
 D) All of the answers are correct.

**71)** Which of the following does not describe unstructured data?

A) does not follow a specified format   
 B) a defined length, type, and format  
 C) free-form text  
 D) emails, twitter tweets, and text messages

**72)** Which of the following does not describe structured data?

A) data with a defined length   
 B) emails, Twitter tweets, and text messages  
 C) typically stored in a relational database or spreadsheet  
 D) data with a defined format

**73)** Which of the following represent machine-generated unstructured data?

A) satellite images   
 B) scientific atmosphere data  
 C) radar data  
 D) All of the answers are correct.

**74)** Which of the following represent human-generated unstructured data?

A) text messages   
 B) social media data  
 C) emails  
 D) All of the answers are correct.

**75)** Which of the following does not represent machine-generated unstructured data?

A) satellite images   
 B) radar data  
 C) social media data  
 D) All of the answers are correct.

**76)** Which of the following does not represent human-generated unstructured data?

A) text messages   
 B) social media data  
 C) scientific atmosphere data  
 D) All of the answers are correct.

**77)** What is a snapshot?

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

**78)** What is a view of data at a particular moment in time?

A) knowledge   
 B) big data  
 C) snapshot  
 D) unstructured data

**79)** What is a report?

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

**80)** What type of report is created based on data that does not change?

A) static report   
 B) dynamic report  
 C) variable report  
 D) structured report

**81)** What type of report changes automatically during creation?

A) static report   
 B) dynamic report  
 C) variable report  
 D) structured report

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

A) static report   
 B) dynamic report  
 C) variable report  
 D) unstructured report

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

A) static report   
 B) dynamic report  
 C) variable report  
 D) structured report

**84)** Who extracts knowledge from data by performing statistical analysis, data mining, and advanced analytics on big data to identify trends?

A) data scientist   
 B) knowledge worker  
 C) data analyst  
 D) chief sustainability officer

**85)** What area does a data scientist extract knowledge from to identify trends?

A) statistical analysis   
 B) data mining  
 C) advanced analytics on big data  
 D) All of the answers are correct.

**86)** Which of the following terms is synonymous with analytics?

A) data analyst   
 B) business analytics  
 C) structured data  
 D) data scientist

**87)** What is the scientific process of transforming data into insight for making better decisions?

A) business analytics   
 B) Internet of Things  
 C) machine-to-machine  
 D) big data

**88)** Which of the following definitions represents a data scientist?

A) extracts knowledge from data by performing statistical analysis, data mining, and advanced analytics on big data to identify trends, market changes, and other relevant information   
 B) collects, queries, and consumes organizational data to uncover patterns and provide insights for strategic business decisions  
 C) individuals valued for their ability to interpret and analyze information  
 D) All of the answers are correct.

**89)** Who extracts knowledge from data by performing statistical analysis, data mining, and advanced analytics on big data to identify trends, market changes, and other relevant information?

A) data scientist   
 B) data analyst  
 C) data worker  
 D) knowledge facilitator

**90)** In terms of big data, what is variety?

A) includes different forms of structured and unstructured data   
 B) includes the uncertainty of data, including biases, noise, and abnormalities  
 C) includes the scale of data  
 D) includes the analysis of streaming data as it travels around the Internet

**91)** In terms of big data, what is veracity?

A) includes different forms of structured and unstructured data   
 B) includes the uncertainty of data, including biases, noise, and abnormalities  
 C) includes the scale of data  
 D) includes the analysis of streaming data as it travels around the Internet

**92)** In terms of big data, what is volume?

A) includes different forms of structured and unstructured data   
 B) includes the uncertainty of data, including biases, noise, and abnormalities  
 C) includes the scale of data  
 D) includes the analysis of streaming data as it travels around the Internet

**93)** In terms of big data, what is velocity?

A) includes different forms of structured and unstructured data   
 B) includes the uncertainty of data, including biases, noise, and abnormalities  
 C) includes the scale of data  
 D) includes the analysis of streaming data as it travels around the Internet

**94)** In terms of big data, what includes different forms of structured and unstructured data?

A) variety   
 B) veracity  
 C) volume  
 D) velocity

**95)** In terms of big data, what includes the uncertainty of data, including biases, noise, and abnormalities?

A) variety   
 B) veracity  
 C) volume  
 D) velocity

**96)** In terms of big data, what includes the scale of data?

A) variety   
 B) veracity  
 C) volume  
 D) velocity

**97)** In terms of big data, what includes the analysis of streaming data as it travels around the Internet?

A) variety   
 B) veracity  
 C) volume  
 D) velocity

**98)** What is a collection of large, complex datasets, including structured and unstructured data, which cannot be analyzed using traditional database methods and tools?

A) big data   
 B) data scientist  
 C) data analyst  
 D) descriptive analytics

**99)** What is big data?

A) a collection of large, complex datasets, including structured and unstructured data, which cannot be analyzed using traditional database methods and tools   
 B) processes and manages algorithms across many machines in a computing environment  
 C) focuses on forecasting future trends and producing insights using sophisticated quantitative methods, including statistics, descriptive and predictive data mining, simulation, and optimization  
 D) extracts knowledge from data by performing statistical analysis, data mining, and advanced analytics on big data to identify trends, market changes, and other relevant information

**100)** In Lou’s Pizza Planet Inc., each department works independently. The sales and marketing department focuses on providing goods and services to customers and maintains transactional data, the finance and accounting department focuses on managing the organization’s resources and maintains monetary data, and the human resources department focuses on hiring and training people and maintains employee data. In the context of how Lou’s functions, which of the following best describes the situation?

A) data silos   
 B) data democratization  
 C) data digitization  
 D) data science

**101)** What of the following terms describes a situation at a company when one business unit is unable to freely communicate with other business units?

A) data silos   
 B) data democratization  
 C) competitive advantage  
 D) productivity

**102)** How are most companies today typically organized?

A) by departments or functional areas   
 B) by departments or financial areas  
 C) by degree or financial areas  
 D) by manager or knowledge area

**103)** How does 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

**104)** 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

**105)** The sales department needs to rely on information from operations to understand

A) inventory.   
 B) customer orders.  
 C) demand forecasts.  
 D) All of the answers are correct.

**106)** Which of the following is the department that maintains policies, plans, and procedures for the effective management of employees?

A) human resources   
 B) sales resources  
 C) employee resources  
 D) employee relations

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

A) accounting   
 B) operations management  
 C) marketing  
 D) chief information officer

**108)** The department within a company that records, measures, and reports monetary transactions is called

A) accounting.   
 B) marketing.  
 C) human resources.  
 D) operations management.

**109)** 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.

**110)** 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.

**111)** Which department tracks strategic financial issues, including money, banking, credit, investments, and assets?

A) sales   
 B) operations management  
 C) accounting  
 D) finance

**112)** Which department manages the process of converting or transforming resources into goods or services?

A) sales   
 B) operations management  
 C) accounting  
 D) finance

**113)** Which department records, measures, and reports monetary transactions?

A) sales   
 B) operations management  
 C) accounting  
 D) finance

**114)** Which department maintains policies, plans, and procedures for the effective management of employees?

A) sales   
 B) operations management  
 C) accounting  
 D) human resources

**115)** Which activities belong in the accounting department?

A) records, measures, and reports monetary transactions   
 B) tracks strategic financial issues, including money, banking, credit, investments, and assets  
 C) supports the sales by planning, pricing, and promoting goods or services  
 D) relies on information from operations to understand inventory, place orders, and forecast consumer demand

**116)** Which activities belong in the finance department?

A) records, measures, and reports monetary transactions   
 B) tracks strategic financial issues, including money, banking, credit, investments, and assets  
 C) supports the sales by planning, pricing, and promoting goods or services  
 D) relies on information from operations to understand inventory, place orders, and forecast consumer demand

**117)** Which activities belong in the marketing department?

A) records, measures, and reports monetary transactions   
 B) tracks strategic financial issues, including money, banking, credit, investments, and assets  
 C) supports the sales by planning, pricing, and promoting goods or services  
 D) relies on information from operations to understand inventory, place orders, and forecast consumer demand

**118)** Which activities belong in the sales department?

A) records, measures, and reports monetary transactions   
 B) tracks strategic financial issues, including money, banking, credit, investments, and assets  
 C) supports the sales by planning, pricing, and promoting goods or services  
 D) relies on information from operations to understand inventory, place orders, and forecast consumer demand

**119)** Which activities belong in the human resources department?

A) records, measures, and reports monetary transactions   
 B) tracks strategic financial issues, including money, banking, credit, investments, and assets  
 C) supports the sales by planning, pricing, and promoting goods or services  
 D) maintains policies, plans, and procedures for the effective management of employees

**120)** Which activities belong in the operations management department?

A) records, measures, and reports monetary transactions   
 B) manages the process of converting or transforming resources into goods or services  
 C) supports the sales by planning, pricing, and promoting goods or services  
 D) maintains policies, plans, and procedures for the effective management of employees

**121)** Which data types are typically found in the marketing department?

A) promotion data, sales data, advertising data   
 B) employee data, promotion data, vacation data  
 C) investment data, monetary data, reporting data  
 D) transactional data, purchasing data, payroll data, tax data

**122)** Which data types are typically found in the human resources department?

A) promotion data, sales data, advertising data   
 B) employee data, promotion data, vacation data  
 C) investment data, monetary data, reporting data  
 D) transactional data, purchasing data, payroll data, tax data

**123)** Which data types are typically found in the finance department?

A) promotion data, sales data, advertising data   
 B) employee data, promotion data, vacation data  
 C) investment data, monetary data, reporting data  
 D) transactional data, purchasing data, payroll data, tax data

**124)** Which data types are typically found in the accounting department?

A) promotion data, sales data, advertising data   
 B) employee data, promotion data, vacation data  
 C) investment data, monetary data, reporting data  
 D) transactional data, purchasing data, payroll data, tax data

**125)** Which data types are typically found in the sales department?

A) sales data, customer data, commission data, customer support data   
 B) employee data, promotion data, vacation data  
 C) investment data, monetary data, reporting data  
 D) transactional data, purchasing data, payroll data, tax data

**126)** Which data types are typically found in the operations management department?

A) manufacturing data, distribution data, production data   
 B) sales data, customer data, commission data, customer support data  
 C) employee data, promotion data, vacation data  
 D) investment data, monetary data, reporting data

**127)** Which of the following describes the relationship between functional areas in a business?

A) independent   
 B) autonomous  
 C) interdependent  
 D) self-sufficient

**128)** Which of the following represents the types of data commonly found in the accounting department?

A) tax data   
 B) payroll data  
 C) transactional data  
 D) All of the answers are correct.

**129)** 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

**130)** Which of the following represents the types of data commonly found in the human resource department?

A) financial data   
 B) technology data  
 C) production data  
 D) employee data

**131)** Which of the following represents the types of data commonly found in the sales department?

A) customer data   
 B) sales report data  
 C) commission data  
 D) All of the answers are correct.

**132)** Which of the following represents the types of data commonly found in the marketing department?

A) promotional data   
 B) payroll data  
 C) tax data  
 D) employee data

**133)** Which of the following represents the types of data commonly found in the operations management department?

A) monetary data   
 B) payroll data  
 C) production data  
 D) employee data

**134)** 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)

**135)** 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)

**136)** 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)

**137)** 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)

**138)** 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)

**139)** 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)

**140)** The challenge that companies today sometimes have is that they are departmentalized into functions that act independently of each other. One solution that can help a company work\_\_\_\_\_\_\_\_ includes management information systems.

A) variables   
 B) human resource data  
 C) interdepartmentally  
 D) resource information systems

**141)** 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)

**142)** 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

**143)** 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)

**144)** 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)

**145)** Recently, 150 of the Fortune 500 companies added which of the following positions to their list of senior executives?

A) chief technology officer (CTO)   
 B) chief data officer (CDO)  
 C) chief privacy officer (CPO)  
 D) chief knowledge officer (CKO)

**146)** Who is responsible for ensuring the speed, accuracy, availability, and reliability of the MIS?

A) chief technology officer (CTO)   
 B) chief security officer (CSO)  
 C) chief privacy officer (CPO)  
 D) chief data officer (CDO)

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

A) chief technology officer (CTO)   
 B) chief security officer (CSO)  
 C) chief privacy officer (CPO)  
 D) chief knowledge officer (CKO)

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

A) chief technology officer (CTO)   
 B) chief security officer (CSO)  
 C) chief privacy officer (CPO)  
 D) chief knowledge officer (CKO)

**149)** Who is responsible for collecting, maintaining, and distributing company knowledge?

A) chief data officer (CDO)   
 B) chief security officer (CSO)  
 C) chief privacy officer (CPO)  
 D) chief knowledge officer (CKO)

**150)** Who is responsible for (1) overseeing all uses of MIS and (2) ensuring that MIS strategically aligns with business goals and objectives?

A) chief information officer (CIO)   
 B) chief data officer (CDO)  
 C) chief privacy officer (CPO)  
 D) chief knowledge officer (CKO)

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

A) chief information officer (CIO)   
 B) chief security officer (CSO)  
 C) chief data officer (CDO)  
 D) chief knowledge officer (CKO)

**152)** Which of the following includes the roles and responsibilities of the chief technology officer (CTO)?

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

**153)** Which of the following includes the roles and responsibilities of the chief information officer (CIO)?

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

**154)** Which of the following includes the roles and responsibilities of the chief privacy officer (CPO)?

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

**155)** Which of the following includes the roles and responsibilities of the chief security officer (CSO)?

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

**156)** Which of the following includes the roles and responsibilities of the chief data officer (CDO)?

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

**157)** Which of the following includes the roles and responsibilities of the chief knowledge officer (CKO)?

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

**158)** Which of the following executive levels might we see created over the next decade?

A) chief intellectual property officer   
 B) chief automation officer  
 C) chief user experience officer  
 D) All of the answers are correct.

**159)** The chief intellectual property officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

A) manage and defend intellectual property, copyrights and patents   
 B) determine if a person or business process can be replaced by a robot or software  
 C) create the optimal relationship between user and technology  
 D) ensure the ethical and legal use of information within an organization

**160)** The chief automation officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

A) manage and defend intellectual property, copyrights, and patents   
 B) determine if a person or business process can be replaced by a robot or software  
 C) create the optimal relationship between user and technology  
 D) ensure the ethical and legal use of information within an organization

**161)** The chief user experience officer is a new executive level we might see created over the next decade. Which of the following includes the roles and responsibilities of this officer?

A) manage and defend intellectual property, copyrights, and patents   
 B) determine if a person or business process can be replaced by a robot or software  
 C) create the optimal relationship between user and technology  
 D) ensure the ethical and legal use of information within an organization

**162)** Which of the following is not a broad function of a chief information officer?

A) manager   
 B) follower  
 C) communicator  
 D) leader

**163)** What is the difference between the chief information officer and chief data officer?

A) the CIO is responsible for the data, regardless of the information system; the CDO is responsible for the information systems through which data is stored and processed   
 B) the CIO is responsible for the information systems through which data is stored and processed; the CDO is responsible for the data, regardless of the information system  
 C) their roles and relationships are identical  
 D) All of the answers are correct.

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

A) off-site training   
 B) MIS skills gap  
 C) social recruiting  
 D) information security

**165)** In recruiting lingo, what are perfect MIS candidates sometimes called?

A) turquoise turtles   
 B) red rabbits  
 C) purple squirrels  
 D) white unicorns

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

A) chief information officer   
 B) chief security officer  
 C) chief data officer  
 D) chief knowledge officer

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

A) chief information officer   
 B) chief security officer  
 C) chief data officer  
 D) chief privacy officer

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

A) chief user experience officer   
 B) chief technology officer  
 C) chief data officer  
 D) chief privacy officer

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

A) chief security officer   
 B) chief user experience officer  
 C) chief data officer  
 D) chief automation officer

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

A) chief security officer   
 B) chief user experience officer  
 C) chief data officer  
 D) chief automation officer

**171)** What is the ability for data to be collected, analyzed, and accessible to all users (the average end users)?

A) data democratization   
 B) business unit  
 C) knowledge democratization  
 D) business data

**172)** What is a segment of a company representing a specific business function?

A) data democratization   
 B) business unit  
 C) knowledge democratization  
 D) business data

**173)** You are working for a new boss, Jill Slater. Jill believes that all employees in the company should have access to the data they need when they need it for analysis and to make data-driven business decisions. Which term best describes Jill’s business belief?

A) data democratization   
 B) business unit  
 C) knowledge dissemination  
 D) business data

**174)** 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, perform  
 D) All of the answers are correct.

**175)** 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 answers are correct.

**176)** In terms of system thinking, what is data entered in a computer?

A) input   
 B) output  
 C) process  
 D) feedback

**177)** In terms of system thinking, what controls to ensure correct processes?

A) input   
 B) output  
 C) process  
 D) feedback

**178)** In terms of system thinking, what is the resulting information from the computer program?

A) input   
 B) output  
 C) process  
 D) feedback

**179)** In terms of system thinking, what is the computer program that processes the data?

A) input   
 B) output  
 C) process  
 D) feedback

**180)** In terms of system thinking, what is input?

A) data entered in a computer   
 B) controls to ensure correct processes  
 C) the resulting information from the computer program  
 D) the computer program that processes the data

**181)** In terms of system thinking, what is output?

A) data entered in a computer   
 B) controls to ensure correct processes  
 C) the resulting information from the computer program  
 D) the computer program that processes the data

**182)** In terms of system thinking, what is feedback?

A) data entered in a computer   
 B) controls to ensure correct processes  
 C) the resulting information from the computer program  
 D) the computer program that processes the data

**183)** In terms of system thinking, what is process?

A) data entered in a computer   
 B) controls to ensure correct processes  
 C) the resulting information from the computer program  
 D) the computer program that processes the data

**184)** 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

**185)** 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.

**186)** 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

**187)** Which of the following statements is true?

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

**188)** What is the name of a company’s internal computer department?

A) management information systems   
 B) information systems  
 C) information technology  
 D) All of the answers are correct.

**189)** What are material items or products that customers will buy to satisfy a want or need?

A) goods   
 B) services  
 C) production  
 D) productivity

**190)** What are tasks performed by people that customers will buy to satisfy a want or need?

A) goods   
 B) services  
 C) production  
 D) productivity

**191)** 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

**192)** 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

**193)** 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

**194)** 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

**195)** 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

**196)** 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

**197)** Cars, groceries, and clothing belong in which category?

A) goods   
 B) services  
 C) production  
 D) productivity

**198)** Teaching, waiting tables, and cutting hair belong in which category?

A) goods   
 B) services  
 C) production  
 D) productivity

**199)** Which of the following is considered a good?

A) cars   
 B) groceries  
 C) clothing  
 D) All of the answers are correct.

**200)** Which of the following is considered a service?

A) teaching   
 B) waiting tables  
 C) cutting hair  
 D) All of the answers are correct.

**201)** Which of the following is considered a good?

A) cars   
 B) teaching  
 C) waiting tables  
 D) All of the answers are correct.

**202)** Which of the following is considered a service?

A) cars   
 B) groceries  
 C) cutting hair  
 D) All of the answers are correct.

**203)** Which of the following is considered goods?

A) milk and eggs   
 B) managing a team  
 C) selling groceries  
 D) All of the answers are correct.

**204)** Which of the following is considered a service?

A) selling groceries   
 B) managing a team  
 C) cutting hair  
 D) All of the answers are correct.

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

A) input   
 B) process  
 C) output  
 D) All of the answers are correct.

**206)** 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 answers are correct.

**207)** The actual hamburger is included in which category of making a hamburger?

A) input   
 B) process  
 C) output  
 D) All of the answers are correct.

**208)** 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

**209)** 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

**210)** 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

**211)** 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

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

A) management information strategy   
 B) management intelligence system  
 C) management information system  
 D) management information strategist

**213)** 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

**214)** 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

**215)** 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 cycles  
 D) the light indicating that the washer is off balance and has stopped

**216)** 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 cycles  
 D) the light indicating that the washer is off balance and has stopped

**217)** 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 cycles  
 D) the light indicating that the washer is off balance and has stopped

**218)** 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 cycles  
 D) the light indicating that the washer is off balance and has stopped

**219)** 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

**220)** 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

**221)** 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

**222)** 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

**223)** 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

**224)** 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

**225)** 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

**226)** 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

**227)** 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

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

A) FedEx—Online Self-Service Software.   
 B) Apple—iPad.  
 C) Apple—iPod.  
 D) Microsoft—Bing Search Engine.

**229)** 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

**230)** Identifying competitive advantages can be difficult, which explains why they are typically

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

**231)** Updating business strategies is a continuous undertaking as internal and external environments

A) become less competitive.   
 B) remains stagnant.  
 C) rapidly changes.  
 D) become more consistent.

**232)** 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 answers are correct.

**233)** 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 another supplier  
 C) a service that an organization’s customers place a lesser value on than similar offerings from another supplier  
 D) a feature of a product or service on which customers place a greater value than they do on similar offerings from competitors

**234)** Which of the following is not a common tool used in industry to analyze and develop competitive advantages?

A) Five Forces Model   
 B) three generic strategies  
 C) competitive analysis model  
 D) value chain analysis

**235)** What is the process of gathering information about the competitive environment, including competitors’ plans, activities, and products, to improve a company’s ability to succeed?

A) feedback   
 B) information  
 C) competitive intelligence  
 D) data

**236)** Who is a person or group that has an interest or concern in an organization?

A) stakeholder   
 B) business strategy  
 C) supplier  
 D) partner

**237)** Which group of stakeholder’s primary interests include reliable contracts, ethical materials handling, and responsible production?

A) partners/suppliers   
 B) shareholders/investors  
 C) community  
 D) government

**238)** Which group of stakeholder’s primary interests include adhering to regulations/laws, increasing employment, and ethical taxation reporting?

A) partners/suppliers   
 B) shareholders/investors  
 C) community  
 D) government

**239)** Which group of stakeholder’s primary interests include maximizing profits, growing market share, and high return on investment?

A) partners/suppliers   
 B) shareholders/investors  
 C) community  
 D) government

**240)** Which group of stakeholder’s primary interests include exceptional customer service, high-quality products, and ethical dealings?

A) partners/suppliers   
 B) shareholders/investors  
 C) community  
 D) customers

**241)** Which group of stakeholder’s primary interests include fair compensation, job security, and ethical conduct/treatment?

A) employees   
 B) shareholders/investors  
 C) community  
 D) customers

**242)** Which group of stakeholder’s primary interests include professional associations, ethical recycling, and increasing employment?

A) employees   
 B) shareholders/investors  
 C) community  
 D) customers

**243)** What is a feature of 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

**244)** Which of the following evaluates a project’s position?

A) SWOT analysis   
 B) Five Forces Model  
 C) value chain analysis  
 D) three generic strategies

**245)** What is a SWOT analysis?

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

**246)** What evaluates industry attractiveness?

A) SWOT analysis   
 B) Five Forces Model  
 C) value chain analysis  
 D) three generic strategies

**247)** What is Porter’s Five Forces Model?

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

**248)** What executes business strategy?

A) SWOT analysis   
 B) Five Forces Model  
 C) value chain analysis  
 D) three generic strategies

**249)** What is a value chain analysis?

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

**250)** Which strategy below helps an organization choose its business focus?

A) SWOT analysis   
 B) Five Forces Model  
 C) value chain analysis  
 D) three generic strategies

**251)** What are Porter’s three generic strategies?

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

**252)** Which of the following describes a stakeholder?

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

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

A) exceptional customer service   
 B) fair compensation  
 C) professional associations  
 D) reliable contracts

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

A) exceptional customer service   
 B) fair compensation  
 C) professional associations  
 D) reliable contracts

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

A) exceptional customer service   
 B) fair compensation  
 C) professional associations  
 D) reliable contracts

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

A) exceptional customer service   
 B) fair compensation  
 C) professional associations  
 D) reliable contracts

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

A) maximized profits   
 B) adherence to regulations/laws  
 C) exceptional customer service  
 D) reliable contracts

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

A) maximized profits   
 B) adherence to regulations/laws  
 C) exceptional customer service  
 D) reliable contracts

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

A) maximized profits   
 B) grow market share  
 C) job security  
 D) high return on investment

**260)** What is included in a SWOT analysis?

A) strengths, weaknesses, organizations, and technology   
 B) strengths, weaknesses, opportunities, and threats  
 C) success, willingness, opportunities, and technology  
 D) success, weaknesses, organizations, and threats

**261)** Which of the following statements is correct when considering a SWOT analysis?

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

**262)** Which of the following statements is correct when considering a SWOT analysis?

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

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

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

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

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

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

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

**266)** Which of the following are included as potential external weaknesses in a SWOT analysis that are harmful to an organization?

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

**267)** How would you categorize strengths in a SWOT analysis?

A) internal, helpful   
 B) internal, harmful  
 C) external, helpful  
 D) external, harmful

**268)** How would you categorize weaknesses in a SWOT analysis?

A) internal, helpful   
 B) internal, harmful  
 C) external, helpful  
 D) external, harmful

**269)** How would you categorize opportunities in a SWOT analysis?

A) internal, helpful   
 B) internal, harmful  
 C) external, helpful  
 D) external, harmful

**270)** How would you categorize threats in a SWOT analysis?

A) internal, helpful   
 B) internal, harmful  
 C) external, helpful  
 D) external, harmful

**271)** What does a SWOT analysis perform?

A) evaluates an organizations strengths, weaknesses, objectives, and threats   
 B) evaluates an organization’s strengths, weaknesses, opportunities, and threats  
 C) evaluates an organization’s supporters, weaknesses, opportunities, and technology  
 D) evaluates an organization’s systems, warehouses, outputs, and technology

**272)** In a SWOT analysis, strengths and weaknesses originate\_\_\_\_\_\_\_\_ an organization.

A) inside (internally)   
 B) outside (externally)  
 C) both inside (internally) and outside (externally)  
 D) All of the answers are correct.

**273)** In a SWOT analysis, opportunities and threats originate\_\_\_\_\_\_\_\_ an organization.

A) inside (internally)   
 B) outside (externally)  
 C) both inside (internally) and outside (externally)  
 D) All answer choices are correct.

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

A) cost advantages   
 B) damaged reputation  
 C) new markets  
 D) competitor issues

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

A) cost advantages   
 B) damaged reputation  
 C) new markets  
 D) competitor issues

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

A) cost advantages   
 B) damaged reputation  
 C) new markets  
 D) improved marketing campaigns

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

A) three generic strategies   
 B) Five Forces Model  
 C) first-mover advantage  
 D) SWOT analysis

**278)** 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 Model, what is Victory Wireless attempting to achieve with this marketing strategy?

A) increased buyer power   
 B) increased substitute products  
 C) decreased supplier power  
 D) decreased buyer power

**279)** 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

**280)** The banking industry has implemented several competitive advantages including ATMs, 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 seeking competitive advantages through

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

**281)** 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.

**282)** Kevin Campbell is an incoming freshman at your college. Kevin is frustrated by the cost of books, tuition, and expenses, and he needs to purchase a rather expensive laptop. In an effort to save money, Kevin begins 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

**283)** 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

**284)** 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

**285)** 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

**286)** 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

**287)** 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

**288)** Shawn McGill is on the executive board for ABC Pharmaceuticals. The company produces the top-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 Pharmaceuticals using to increase its drug price?

A) supplier power   
 B) buyer power  
 C) threat of false entrants  
 D) business power

**289)** 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

**290)** 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 answers are correct.

**291)** How can a company reduce the threat of substitute products or services?

A) market the product to fewer than 10 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

**292)** 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

**293)** John Cleaver is the CEO of Tech World, 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 product that is attempting to sell a new product in a different industry. After performing a Porter’s Five Forces Model 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 at a lower price in this new market  
 D) not introduce the product because all five forces are strong and this would be a highly risky business strategy

**294)** 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

**295)** 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

**296)** Imagine you are creating a new product to sell in an up-and-coming market. Which of the following statements indicates that it would be easy for you as the new entrant 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 answers are correct depending on the time of year.

**297)** Imagine you are creating a new product to sell in an up-and-coming market. Which of the following 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 answers are correct depending on the time of year.

**298)** Which of the following is an example in which Porter’s five forces are mostly strong and competition is high?

A) dog-walking business   
 B) ski resort  
 C) professional hockey team  
 D) All of the answers are correct.

**299)** Which of the following offers an example in which 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

**300)** 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 Model?

A) rivalry among new entrants   
 B) rivalry among existing competitors  
 C) threat of substitute products or services  
 D) buyer power

**301)** 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

**302)** Your boss, Penny Dirks, 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 such as EMI, Sony, and Universal   
 B) Walmart, Target, iTunes  
 C) game systems such as Xbox and social networks such as Facebook.  
 D) Taylor Swift,Beyoncé, The Beatles, The Stones

**303)** Your boss, Penny Dirks, 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 such as EMI, Sony, and Universal   
 B) Walmart, Target, iTunes  
 C) independent record labels  
 D) game systems such as Xbox and social networks such as Facebook

**304)** Your boss, Penny Dirks, 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 such as EMI, Sony, and Universal   
 B) independent record labels  
 C) game systems such as Xbox and social networks such as Facebook  
 D) Taylor Swift,Beyoncé, The Beatles, The Stones

**305)** 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

**306)** 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

**307)** 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

**308)** 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

**309)** What is buyer power?

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

**310)** What is supplier power?

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

**311)** What is the threat of substitute products or services?

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

**312)** What is the threat of new entrants?

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

**313)** What is the rivalry among existing competitors?

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

**314)** 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.

**315)** 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

**316)** 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 nor broad markets  
 D) both niche and broad markets

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

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

**318)** 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 answer choices are correct.

**319)** 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

**320)** 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 answer choices are correct.

**321)** 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

**322)** 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.

**323)** When applying Porter’s three generic strategies, Tiffany & Co. has a competitive scope and cost strategy that is

A) broad market, high cost.   
 B) narrow market, low cost.  
 C) narrow market, high cost.  
 D) broad market, low cost.

**324)** 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) local independent bookstore specializing in antique books  
 C) Barnes & Noble  
 D) bookstore at the airport

**325)** Which of the following is similar to a focused strategy versus a broad strategy?

A) large market versus leadership   
 B) large market versus uniqueness  
 C) niche market versus large market  
 D) niche market versus generic

**326)** Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter’s three generic strategies. Which of the following companies are using a cost leadership strategy?

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

**327)** Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter’s three generic strategies. Which of the following companies are using a differentiation strategy?

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

**328)** Your boss, Penny Dirks, has asked you to analyze the airline industry using Porter’s three generic strategies. Which of the following companies are using a focused strategy?

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

**329)** A(n)\_\_\_\_\_\_\_\_ allows primary activities to connect digitally to help speed up the transition from sales to manufacturing in an organization.

A) SWOT analysis   
 B) digital distribution platform  
 C) management information system  
 D) digital value chain

**330)** Baltzan bike manufacturing needed to decrease the amount of time it took to develop a customized bike. Many customers requested special parts to be assembled for the one-time creation for a bike. By connecting the sales systems to the manufacturing systems and adding 3D printing to its manufacturing process, it was able to cut down on the amount of time it took between sales and production. What type of technology is this called?

A) digital value chain   
 B) buyer power  
 C) first-mover advantage  
 D) SWOT analysis

**331)** When reviewing Porter’s value chain analysis, which of the following provides customer support after the sale of goods and services?

A) inbound logistics   
 B) outbound logistics  
 C) operations  
 D) service

**332)** Which of the following 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

**333)** 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) value chain analysis

**334)** What is a standardized set of activities that accomplishes a specific task?

A) business strategy   
 B) business outcome  
 C) business process  
 D) knowledge process

**335)** 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

**336)** 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

**337)** What are the two main categories in a value chain analysis?

A) primary value activities and secondary value activities   
 B) primary value activities and support value activities  
 C) primary value activities and strengthening value activities  
 D) None of the answer choices are correct.

**338)** 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

**339)** 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

**340)** 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

**341)** 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) primary value activity outbound logistics   
 B) primary value activity inbound logistics  
 C) primary value activity marketing and sales  
 D) primary value activity operations

**342)** 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.

**343)** 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

**344)** 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 answers are correct.

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

A) creating an online system for employees to track paychecks, benefits, wellness program rewards, 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 is completed  
 D) using a custom order and delivery system through an easily accessible web portal for the customer to track delivery status

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

A) creating a business strategy for the video rental market that delivers videos via the mail   
 B) creating a tracking system to efficiently reward employees based on their performance  
 C) creating an online system for employees to track paychecks, benefits, wellness program rewards, and other employee benefit items  
 D) creating a program to automatically order office supplies such as pens and pads of paper for employees

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

⊚ true  
 ⊚ false

**348)** Diagnostic analytics 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

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

⊚ true  
 ⊚ false

**350)** The information age is a time infinite quantities of facts are widely available to anyone who can use a computer.

⊚ true  
 ⊚ false

**351)** Top managers use bits 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

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**354)** Zappos primary business focus is to sell books and competitive intelligence.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**356)** Choosing not to fire a sales representative who is underperforming while knowing that the representative is experiencing family problems is a form of knowledge.

⊚ true  
 ⊚ false

**357)** 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

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**362)** Predictive analytics is a world where interconnected, Internet-enabled devices or “things” can collect and share data without human intervention.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**364)** A data analyst collects, queries, and consumers organizational data to uncover patterns and provide insights for strategic business decision making.

⊚ true  
 ⊚ false

**365)** Knowledge workers are individuals valued for their ability to mitigate risk and implement critical human resource and accounting rules and regulations.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**367)** Big data is a collection of large complex datasets, which cannot be analyzed using traditional database methods and tools.

⊚ true  
 ⊚ false

**368)** The four common characteristics of big data include variety, veracity, volume, velocity.

⊚ true  
 ⊚ false

**369)** Variety in big data includes different forms of structured and unstructured data.

⊚ true  
 ⊚ false

**370)** Veracity in big data includes the uncertainty of data, including biases, noise, and abnormalities.

⊚ true  
 ⊚ false

**371)** Volume in big data includes the scale of data.

⊚ true  
 ⊚ false

**372)** Velocity in big data includes the analysis of streaming data as it travels around the Internet.

⊚ true  
 ⊚ false

**373)** Velocity in big data includes different forms of structured and unstructured data.

⊚ true  
 ⊚ false

**374)** Volume in big data includes the uncertainty of data, including biases, noise, and abnormalities.

⊚ true  
 ⊚ false

**375)** Big data is a view of data at a moment in time.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**379)** Business analytics is the scientific process of transforming data into insight for making better decisions.

⊚ true  
 ⊚ false

**380)** Descriptive analytics describes past performance and history.

⊚ true  
 ⊚ false

**381)** Predictive analytics extracts information from data to predict future trends and identify behavioral patterns.

⊚ true  
 ⊚ false

**382)** Prescriptive analytics creates models indicating the best decision to make or course of action to take.

⊚ true  
 ⊚ false

**383)** Knowledge assets, also called intellectual capital, are the human, structural, and recorded resources available to the organization.

⊚ true  
 ⊚ false

**384)** Knowledge assets reside within the minds of members, customers, and colleagues and include physical structures and recorded media.

⊚ true  
 ⊚ false

**385)** Knowledge facilitators help harness the wealth of knowledge in the organization.

⊚ true  
 ⊚ false

**386)** Descriptive analytics is the scientific process of transforming data into insight for making better decisions.

⊚ true  
 ⊚ false

**387)** Diagnostic analytics describes past performance and history.

⊚ true  
 ⊚ false

**388)** Prescriptive analytics extracts information from data to predict future trends and identify behavioral patterns.

⊚ true  
 ⊚ false

**389)** Analytics, also called intellectual capital, are the human, structural, and recorded resources available to the organization.

⊚ true  
 ⊚ false

**390)** Knowledge facilitators reside within the minds of members, customers, and colleagues and include physical structures and recorded media.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**393)** Structured data is data that has a defined length, type, and format and includes numbers, dates, or strings such as Customer Address.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**395)** Unstructured data is data that has a defined length, type, and format and includes numbers, dates, or strings such as Customer Address.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**398)** A business unit is a segment of a company representing a specific business function.

⊚ true  
 ⊚ false

**399)** The terms *department, functional area*, and *business unit* are used interchangeably.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**401)** The finance department performs the function of selling goods or services.

⊚ true  
 ⊚ false

**402)** The marketing department supports sales by planning, pricing, and promoting goods or services.

⊚ true  
 ⊚ false

**403)** The operations management department manages the process of converting or transforming resources into goods or services.

⊚ true  
 ⊚ false

**404)** The accounting and finance departments primarily use monetary data.

⊚ true  
 ⊚ false

**405)** The sales and marketing departments primarily use monetary data.

⊚ true  
 ⊚ false

**406)** A data silo occurs when one business unit is able to freely communicate with other business units from silo to silo.

⊚ true  
 ⊚ false

**407)** A data silo occurs when one business unit is unable to freely communicate with other business units, making it difficult or impossible for organizations to work cross-functionally.

⊚ true  
 ⊚ false

**408)** A data silo is beneficial because it helps keep all the data for a company organized in one place.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**411)** 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

**412)** 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

**413)** 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

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**416)** The business decisions made by the marketing department include promotional data, sales data, and advertising data.

⊚ true  
 ⊚ false

**417)** The business decisions made by the human resources department include employee data, promotion data, and vacation data.

⊚ true  
 ⊚ false

**418)** The business decisions made by the finance department include investment data, monetary data, and reporting data.

⊚ true  
 ⊚ false

**419)** The business decisions made by the accounting department include transactional data, purchasing data, payroll data and tax data.

⊚ true  
 ⊚ false

**420)** The business decisions made by the sales department include potential customer data, sales report data, commission data, and customer support data.

⊚ true  
 ⊚ false

**421)** The business decisions made by the operations management department include manufacturing data, distribution data, and production data.

⊚ true  
 ⊚ false

**422)** The business decisions made by the finance department include promotion data, sales data, and advertising data.

⊚ true  
 ⊚ false

**423)** The business decisions made by the accounting department include employee data, promotion data, and vacation data.

⊚ true  
 ⊚ false

**424)** The business decisions made by the human resources department include investment data, monetary data, and reporting data.

⊚ true  
 ⊚ false

**425)** The business decisions made by the marketing department include transactional data, purchasing data, payroll data and tax data.

⊚ true  
 ⊚ false

**426)** The business decisions made by the human resources department include potential customer data, sales report data, commission data, and customer support data.

⊚ true  
 ⊚ false

**427)** The business decisions made by the accounting department include manufacturing data, distribution data, and production data.

⊚ true  
 ⊚ false

**428)** The chief data officer is responsible for overseeing all uses of MIS and ensuring that MIS strategically aligns with business goals and objectives.

⊚ true  
 ⊚ false

**429)** The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.

⊚ true  
 ⊚ false

**430)** Most organizations maintain positions such as chief executive officer (CEO), chief financial officer (CFO), and chief operations officer (COO) at the strategic level.

⊚ true  
 ⊚ false

**431)** 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

**432)** The chief knowledge officer is responsible for collecting, maintaining, and distributing company knowledge.

⊚ true  
 ⊚ false

**433)** The chief data officer (CDO) is responsible for determining the types of information the enterprise will capture, retain, analyze, and share.

⊚ true  
 ⊚ false

**434)** The chief data officer (CDO) is responsible for ensuring the throughput, speed, accuracy, availability, and reliability of an organization’s information technology.

⊚ true  
 ⊚ false

**435)** The chief technology officer (CTO) is responsible for ensuring the security of MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses.

⊚ true  
 ⊚ false

**436)** The chief privacy officer (CPO) is responsible for ensuring the ethical and legal use of information within an organization.

⊚ true  
 ⊚ false

**437)** The chief intellectual property officer (CIPO) is responsible for collecting, maintaining, and distributing the organization’s knowledge.

⊚ true  
 ⊚ false

**438)** The chief security officer (CSO) is responsible for ensuring the security of MIS systems and developing strategies and MIS safeguards against attacks from hackers and viruses.

⊚ true  
 ⊚ false

**439)** According to *Fast Company* magazine, a few executive levels you might see created over the next decade include chief intellectual property officer, chief automation officer, and chief user experience officer.

⊚ true  
 ⊚ false

**440)** The difference between existing MIS workplace knowledge and the knowledge required to fulfill the business goals and strategies is called a data analyst certification.

⊚ true  
 ⊚ false

**441)** Most chief technology officers do not possess a well-rounded knowledge of all aspects of MIS, such as hardware, software, and telecommunications.

⊚ true  
 ⊚ false

**442)** Many chief privacy officers (CPOs) are lawyers by training, enabling them to understand the often-complex legal issues surrounding the use of information.

⊚ true  
 ⊚ false

**443)** MIS skills gap is the difference between existing MIS workplace knowledge and the knowledge required to fulfill the business goals and strategies.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**445)** Goods are material items or products that customers will buy to satisfy a want or need.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**447)** An overview of systems thinking includes input, process, output, and finances.

⊚ true  
 ⊚ false

**448)** A stakeholder is a person or group that has an interest or concern in an organization. Stakeholder’s drive business strategies, and depending on the stakeholder’s perspective, the business strategy can change. It is not uncommon to find stakeholder’s business strategies have conflicting interests such as investors looking to increase profits by eliminating employee jobs.

⊚ true  
 ⊚ false

**449)** Cars, groceries, and clothing are all examples of goods.

⊚ true  
 ⊚ false

**450)** Production is the process by which a business takes raw materials and processes them or converts them into a finished product for its goods or services.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**453)** Cooking a patty and putting the ingredients together are included in the process of making a hamburger.

⊚ true  
 ⊚ false

**454)** Bread, cheese, and butter are included in the process of making a grilled cheese sandwich.

⊚ true  
 ⊚ false

**455)** A grilled cheese sandwich is considered the final output of a making-a-sandwich process.

⊚ true  
 ⊚ false

**456)** If a business could produce the same hamburger with less expensive inputs, it would probably see a decrease in profits.

⊚ true  
 ⊚ false

**457)** 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

**458)** A leadership plan that achieves a specific set of goals or objectives is a business strategy.

⊚ true  
 ⊚ false

**459)** To combat business challenges, leaders communicate and execute business strategies; the word *strategy* comes from the Greek *stratus* for army and *ago* for leading.

⊚ true  
 ⊚ false

**460)** Businesses rarely need to update business strategies as the business environment remains relatively stable.

⊚ true  
 ⊚ false

**461)** Attracting new customers, decreasing costs, and entering new markets are all examples of successful business strategies.

⊚ true  
 ⊚ false

**462)** Decreasing customer loyalty, increasing costs, and decreasing sales are all examples of business strategies.

⊚ true  
 ⊚ false

**463)** 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

**464)** 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

**465)** A SWOT analysis will evaluate potential internal strengths, internal weaknesses, and external opportunities.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**467)** A SWOT analysis evaluates an organization’s strengths, weaknesses, objectives, and threats.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**475)** Mark Peterson identified Porter’s Five Forces Model, which analyzes the competitive forces within a business environment.

⊚ true  
 ⊚ false

**476)** Porter’s Five Forces Model outlines the process for a sales strategy.

⊚ true  
 ⊚ false

**477)** 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

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

⊚ true  
 ⊚ false

**479)** 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

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**484)** The threat of substitute products or services refers to the power of customers to purchase alternatives.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**486)** 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

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

⊚ true  
 ⊚ false

**488)** According to Porter’s three generic strategies, Walmart is following a business strategy that focuses on broad market and low cost.

⊚ true  
 ⊚ false

**489)** According to Porter, it is recommended to adopt only one of the three generic strategies.

⊚ true  
 ⊚ false

**490)** Buyer power is included as one of Porter’s three generic strategies.

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

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

⊚ true  
 ⊚ false

**493)** The value chain will group a company’s activities into two categories: primary value activities and support value activities.

⊚ true  
 ⊚ false

**494)** A digital value chain digitizes work across primary and supporting activities. It allows primary activities to connect digitally to help speed up the transition from sales to manufacturing in an organization.

⊚ true  
 ⊚ false

**495)** A digital data silo digitizes work across primary and supporting activities.

⊚ true  
 ⊚ false

**496)** A business process is a standardized set of activities that accomplish a specific task, such as processing a customer’s order.

⊚ true  
 ⊚ false

**497)** A primary value activity is a standardized set of activities that accomplish a specific task, such as processing a customer’s order.

⊚ true  
 ⊚ false

**498)** Inbound logistics and operations are part of the primary value activities.

⊚ true  
 ⊚ false

**499)** Inbound logistics and operations are part of the support value activities.

⊚ true  
 ⊚ false

**500)** Firm infrastructure and human resource management are part of the primary value activities.

⊚ true  
 ⊚ false

**501)** Firm infrastructure and human resource management are part of the support value activities.

⊚ true  
 ⊚ false

**Answer Key**Test name: Baltzan8eCh01

11) C

12) D

13) D

14) D

15) A

16) A

17) B

18) D

19) A

20) C

21) A

22) B

23) C

24) D

25) C

26) A

27) A

28) C

29) D

30) D

31) D

32) D

33) D

34) A

35) B

36) A

37) D

38) B

39) B

40) A

41) C

42) B

43) A

44) C

45) B

46) D

47) A

48) D

49) D

50) A

51) B

52) D

53) C

54) A

55) B

56) A

57) C

58) D

59) A

60) A

61) A

62) B

63) B

64) B

65) A

66) B

67) A

68) D

69) C

70) D

71) B

72) B

73) D

74) D

75) C

76) C

77) B

78) C

79) A

80) A

81) B

82) A

83) B

84) A

85) D

86) B

87) A

88) A

89) A

90) A

91) B

92) C

93) D

94) A

95) B

96) C

97) D

98) A

99) A

100) A

101) A

102) A

103) B

104) B

105) D

106) A

107) B

108) A

109) B

110) D

111) D

112) B

113) C

114) D

115) A

116) B

117) C

118) D

119) D

120) B

121) A

122) B

123) C

124) D

125) A

126) A

127) C

128) D

129) A

130) D

131) D

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141) A

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144) C

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146) A

147) C

148) B

149) D

150) A

151) C

152) A

153) D

154) B

155) C

156) A

157) B

158) D

159) A

160) B

161) C

162) B

163) B

164) B

165) C

166) D

167) D

168) B

169) A

170) C

171) A

172) B

173) A

174) A

175) D

176) A

177) D

178) B

179) C

180) A

181) C

182) B

183) D

184) A

185) D

186) B

187) D

188) D

189) A

190) B

191) C

192) D

193) A

194) B

195) C

196) D

197) A

198) B

199) D

200) D

201) A

202) C

203) A

204) D

205) A

206) B

207) C

208) B

209) B

210) B

211) C

212) C

213) A

214) A

215) A

216) C

217) D

218) B

219) A

220) B

221) D

222) C

223) A

224) B

225) D

226) C

227) D

228) D

229) A

230) A

231) C

232) D

233) D

234) C

235) C

236) A

237) A

238) D

239) B

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241) A

242) C

243) A

244) A

245) A

246) B

247) B

248) C

249) C

250) D

251) D

252) C

253) A

254) B

255) C

256) D

257) B

258) A

259) C

260) B

261) A

262) B

263) A

264) B

265) C

266) D

267) A

268) B

269) C

270) D

271) B

272) A

273) B

274) A

275) B

276) C

277) C

278) D

279) C

280) A

281) A

282) D

283) B

284) A

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286) D

287) C

288) A

289) C

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291) C

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293) D

294) B

295) C

296) A

297) B

298) A

299) A

300) B

301) C

302) A

303) B

304) C

305) A

306) B

307) C

308) D

309) A

310) B

311) D

312) C

313) D

314) D

315) B

316) A

317) D

318) C

319) B

320) A

321) D

322) B

323) C

324) A

325) C

326) A

327) B

328) C

329) D

330) A

331) D

332) A

333) D

334) C

335) C

336) D

337) B

338) B

339) B

340) C

341) A

342) D

343) C

344) D

345) A

346) A

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