Chapter 02

Decisions + Processes: Value Driven Business

True / False Questions

Analytics is the science of fact-based decision making.

True False

At the operational level employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change.

True False

At the operational level employees are develop, control, and maintain core business activities required to run the day-to-day operations.

True False

Operational decisions are considered structured decisions.

True False

Asking how many employees are out sick is a type of operational question.

True False

Strategic decisions are highly structured decisions.

True False

One of the most important and challenging questions confronting managers today is how to lay the foundation for tomorrow's success while competing to win in today's business environment.

True False

The structure of a typical organization is similar to a pyramid, with different levels that require one consistent type of information to assist with all managerial decision making.

True False

Operational decisions or semistructured decisions arise in situations where established processes offer potential solutions.

True False

Unstructured decisions occur in situations in which no procedures or rules exist to guide decision makers towards the correct choice.

True False

At the strategic decision-making level employees develop, control, and maintain core business activities.

True False

The construction of a new city subway station and the processing of monthly payroll are both considered types of projects as defined in your text.

True False

Key performance indicators can focus on external and internal

measurements. True False

The proportion of the market that a firm captures is called market

share. True False

Benchmarks are baseline values the system seeks to

attain. True False

Effectiveness MIS metrics include throughput, transaction speed, and system availability.

True False

Measuring the amount of website traffic is the best way to determine an organization's

success. True False

A project is a temporary activity a company undertakes to create a unique product, service, or result.

True False

Metrics are temporary activities a company undertakes to create a unique product, service, or result.

True False

Metrics are measurements that evaluate results to determine whether a project is meeting its goals.

True False

Efficiency MIS metrics include throughput, speed, and

availability. True False

Effectiveness MIS metrics measure the impact MIS has on business processes and activities, including customer satisfaction and customer conversion rates.

True False

Efficiency MIS metrics measure the impact MIS has on business processes and activities, including customer satisfaction and customer conversion rates.

True False

Best practices are the most successful solutions or problem-solving methods that have been developed by a specific organization or industry.

True False

Return on investment indicates the earning power of a

project. True False

MIS support systems rely on models for computational and analytical routines that mathematically express relationships among variables.

True False

Streamlining information encompasses all of the information contained within a single business process or unit of work, and its primary purpose is to support the performing of daily operational or structured decisions.

True False

Sensitivity analysis, what-if analysis, optimization analysis, and market basket analysis are the common DSS analysis techniques.

True False

Digital dashboards offer consolidation, drill-down, and slice-and-dice capabilities.

True False

Managers use transactional information when making structured decisions at the operational level.

True False

The manipulation of information to create business intelligence in support of strategic decision making is referred to as OLTP or online transaction processing.

True False

A model is a simplified representation or abstraction of

reality. True False

Source documents are simplified representation or abstraction of

reality. True False

Source documents are the original transaction records.

True False

Granularity refers to the level of detail in the model or the decision-making

process. True False

Visualization produces graphical displays of patterns and complex relationships in large amounts of data.

True False

A digital dashboard produces graphical displays of patterns and complex relationships in large amounts of data.

True False

Intelligent systems are various commercial applications of artificial

intelligence. True False

A neural network is a category of efficiency metrics where it attempts to measure the way the human brain works.

True False

Investment companies use genetic effectiveness metrics to help in trading

decisions. True False

A shopping bot is one of the simplest examples of an intelligent

agent. True False

At Microsoft's headquarters, to eliminate congestion and save on other business expenses the company offered employees the option to work virtually from home.

True False

Fuzzy logic is a mathematical method of handling imprecise or subjective information.

True False

Fuzzy logic is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome.

True False

Mutation is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome.

True False

Mutation is a mathematical method of handling imprecise or subjective

information. True False

Virtual reality is a computer-simulated environment that can be a simulation of the real world or an imaginary world.

True False

Augmented reality is the viewing of the physical world with computer-generated layers of information added to it.

True False

Augmented reality is a computer-simulated environment that can be a simulation of the real world or an imaginary world.

True False

Virtual reality is the viewing of the physical world with computer-generated layers of information added to it.

True False

Business-facing processes or back-office processes are invisible to the external customer but essential to the effective management and operation of the business.

True False

When evaluating the 5-steps in the order-to-delivery business process, step one includes creating a campaign and checking inventory, which are both part of the sales function.

True False

Strategic planning is a customer-facing business

process. True False

Product delivery is a customer-facing business process.

True False

Improving the efficiency and effectiveness of its business processes will improve a firm's value chain.

True False

Core processes are business processes, such as manufacturing goods, selling products, and providing services that make up the primary activities in a value chain.

True False

Core processes are patents that protect a specific set of procedures for conducting a particular business activity.

True False

A business process patent is a patent that protects a specific set of procedures for conducting a particular business activity.

True False

A business management system is a graphic description of a process, showing the sequence of process tasks, which is developed for a specific purpose and from a selected viewpoint.

True False

To-Be process models show the results of applying change improvement opportunities to the current (As-Is) process model.

True False

The primary goal of an As-Is process model is to simplify, eliminate, and improve the To-Be processes.

True False

Business processes should never drive MIS choices and should be based on business strategies and goals.

True False

A swim lane layout arranges the steps of a business process into a set of rows depicting the various elements.

True False

A swim lane layout arranges the steps of a business process into a circle with pictures showing the process flows.

True False

Redundancy occurs when a task or activity is never

repeated. True False

Business process reengineering is the analysis and redesign of workflow within and between enterprises.

True False

Business process management systems evaluate and improve processes that include both person-to-person workflow and system-to-system communications.

True False

BPM systems include advanced features such as enhanced process modeling, simulation, execution, and monitoring, providing a high level of flexibility while reducing costs.

True False

Multiple Choice Questions

Which of the following is not a type of organizational information system?

Executive information system
Decisions support system
Analysis processing system
Transactional processing system

Which of the below is an important challenge facing managers today?

Making business decision Solving
business problems Competing to
win in today's market All of the
above

What must managers be able to do to compete in today's global marketplace?

Make decisions to gain competitive advantages
Make decision that can help forecast future business needs
Make decision that can help forecast future business requirements
All of the above

Which of the below is not considered a challenge facing most managers today?

Managerial decisions must be made quickly
Strategic decisions need to be made by applying analysis techniques
Artificial intelligence is required by all managers to be successful
Managerial decisions require large amounts of information to analyze

Which of the following is not included in the decision-making process?

Data Collection
Solution Benchmarking
Solution Generation
Solution Test

When evaluating the six-step decision making process, what occurs during the solution implementation step?

The process will begin again if the decisions made were incorrect
Definition of the problem as clearly and precisely as possible
Details of every solution possible including ideas that seem far fetched
The solution that best solves the problem is selected

When evaluating the six-step decision making process, what occurs during the problem identification step?

The process will begin again if the decisions made were incorrect
Definition of the problem as clearly and precisely as possible
Details of every solution possible including ideas that seem far fetched
The solution that best solves the problem is selected

When evaluating the six-step decision making process, what occurs during the solution selection step?

The process will begin again if the decisions made were incorrect
Definition of the problem as clearly and precisely as possible
Details of every solution possible including ideas that seem far fetched
The solution that best solves the problem is selected

When evaluating the six-step decision making process, what occurs during the solution test step?

The process will begin again if the decisions made were incorrect
Definition of the problem as clearly and precisely as possible
Details of every solution possible including ideas that seem far fetched
None of the above

Which of the below represents the structure of a typical organization?

Flat line
Pyramid
Circle
Cube

Which of the below represents the three different levels of a company pyramid from the top to the bottom?

Managerial - Strategic - Operational
Strategic - Managerial - Operational
Operational - Managerial - Strategic
Strategic - Operational - Managerial

Which of the below would you include as decisions and responsibilities typically found at the managerial level of a company?

Monthly Plans
Monthly Budgets
Weekly Schedule
All of the above

Which of the below would you include as decisions and responsibilities typically found at the operational level of a company?

Develop core business activities required to run the day-to-day operations
Control core business activities required to run the day-to-day operations
Maintain core business activities required to run the day-to-day operations
All of the above

Data collection, solution generation, and solution implementation are all concepts associated which of the following processes?

The six-step problem solving process
The six-step decision making process
The four-step problem solving process
The four-step decision making process

Review the below key terms. Which one defines an operational decision that involves situations where established processes offer potential solutions?

Optimization analysis decision
Artificial intelligence decision
Structured decision
Unstructured decision

Review the below statements. Which one does not represent an example of a structured decision?

Reordering inventory
Deciding to enter a new market
Creating the employee weekly staffing schedule
Creating the employee weekly production schedule

Which of the below is not considered a part of decision making at the managerial level?

Developing overall business goals and objectives
Creating a short-term budget Allocating
resources to a department Monitoring
performance of a project team

Which of the below key terms represents the types of decisions made at the operational, managerial, and strategic levels of a company?

Structured decisions
Unstructured decisions
Semistructured decisions
All of the above

At which level do managers develop the overall business strategies and monitor the performance of the organization and the competitive business environment?

Operational
Strategic
Managerial
Communications

Jenny Welch works at a retail store selling sports equipment. Her daily tasks include opening the store, creating the work schedules, processing payroll, overseeing sales and inventory, and training employees. At what level of the organizational pyramid would you categorize Jenny?

Managerial
Operational
Strategic
Owner

Andy Benton works at the local Starbucks coffee shop and his responsibilities include taking orders, fulfilling orders, and ringing in sales. At what level of the organizational pyramid would you categorize Andy?

Strategic
Owner
Operational
Managerial

Bill Schultz works at a high power investment firm in Los Angeles. Bill is responsible for promoting the firm's vision and creating the company-wide goals and strategies. He also monitors the overall strategic performance of the company and its direction for future business strategies. At what level of the organizational pyramid would you categorize Bill?

Strategic
Owner
Operational
Managerial

Chuck Biggs has been hired to oversee all of the plans that the city of Denver has created to expand its train transportation system by adding six more lines to the metro area. Chuck will be responsible for planning the project, managing the processes, and finalizing each new line as it is completed. How would you categorize the majority of the decisions Chuck will have to make to complete his job?

Unstructured decisions
Semistructured decisions
Structured decisions
Strategic decisions

What is the science of fact-based decision making?

Analytics
Structured decisions
Unstructured decisions
Semistructured decisions

What occurs in situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision.

Analytics
Structured decisions
Unstructured decisions
Semistructured decisions

What occurs in situations in which no procedures or rules exist to guide decision makers toward the correct choice?

Analytics
Structured decisions
Unstructured decisions
Semistructured decisions

What arises in situations where established processes offer potential solutions?

Analytics
Structured decisions
Unstructured decisions
Semistructured decisions

The structure of an organization is similar to a pyramid. The different levels require different types of information to assist with which of the following?

Decision making
Problem solving
Opportunity capturing
All of the above

At which level will a manager use analytics to make decisions?

Operational level
Managerial level
Strategic level
All of the above

At which level of an organization do employees develop, control, and maintain core business activities required to run the day-to-day operations?

Operational level
Managerial level
Strategic level
All of the above

At which level of an organization are employees continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change.

Operational level
Managerial level
Strategic level
All of the above

100. At which level of an organization do managers develop overall business strategies, goals, and objectives as part of the company's strategic plan?

A. Operational level
B. Managerial level
C. Strategic level
D. All of the above

101. CSF's and KPI's are two core metrics used to evaluate results and measure the progress of a project for a business. Which of the below represents the acronyms for CSF and KPI?

A. Continual success factors and key performance indicators
B. Critical success factors and key project ideas
C. Customer success findings and key project ideas
D. Critical success factors and key performance indicators

102. What are measurements that evaluate results to determine whether a project is meeting its goals?

Models Metrics
Benchmarks
Genetic algorithms

103. What are the crucial steps companies perform to achieve their goals and objectives and implement their strategies?

A. Critical success factors
B. Crucial success factors
C. Key performance indicators
D. Key performance factors

104.Which of the below is an example of a critical success factor?

A. Increase customer satisfaction
B. Number of new customers
C. Number of new products
D. Percentage of employee turnover

105.Which of the below statements is accurate?

A. Key performance indicators can have no more than four critical success factors
B. Critical success factors can have no more than four key performance indicators
C. Key performance indicators can have several critical success factors
D. Critical success factors can have several key performance indicators

106.Key performance indicators are the metrics a company uses to evaluate progress toward critical success factors. Which of the below represents a key performance indicator?

Create high-quality products
Reduce product costs
Percentage of help desk calls answered in the first minute
Hire the best business professionals

107.CSF's and KPI's are the two core metrics used within a business to track progress or success. What is the relationship between CSFs and KPIs?

A. CSF's are business strategy elements where KPI's measure the progress of the CSF's B. CSF's build the business environment where KPI's explain how to build the CSF's C. KPI's are used first where CSF's are applied after
D. KPI's promote employees on their performance where CSF's demote employees based on their performance level

108.Market share measures a firm's external performance relative to that of its competitors. Which of the following represents how a firm measures market share?

A. Multiplying the firm's sales by the industries total sales
B. Dividing the firm's sales by the total market sales for the entire industry
C. Subtracting your competitors sales from your total sales
D. Subtracting the industries total sales from the firm's total sales

109. Anne-Marie Cole runs the sales division for a local auto insurance firm. One of her key duties is to calculate her company's market share. When evaluating the prior year numbers, she found that her firm achieved total sales of $3 million and the entire industry had $30 million in sales. What is Anne-Marie's current market share?

1%
10%
18%
20%

110. Anne-Marie Cole runs the sales division for a local auto insurance firm. One of her key duties is to ensure the company has 10 percent market share by the end of the year. When evaluating the current sales numbers she determines that her sales division has total sales of $3 million and the entire industry has total sales of $50 million. What additional sales must Anne-Marie's division meet to ensure they have 10 percent of the market by the end of the year?

A. $1 million
B. $2 million
C. $5 million
D. $10 million

111. What type of measurement is using market share as a KPI?

A. Fuzzy logic measurement
B. External measurement
C. Neural network measurement
D. Internal measurement

112. Which of the below represents an internal KPI that indicates the earning power of a project?

A. Market share
B. Return on intelligent
C. Sensitivity analysis
D. Return on investment

113. Todd Haitz is the marketing manager for the National Basketball Association. Todd analyzes and tracks his marketing campaigns to determine the best success rate per project for increasing ticket sales. Todd uses an internal KPI to track his marketing campaign success. Which of the below would be an internal KPI Todd would use to track his marketing campaigns?

A. Marketing campaign ROI
B. Marketing campaign percentage of fans purchasing Sports Illustrated magazine
C. Marketing campaign advertiser revenue sales
D. Marketing campaign market share

114.What could a manager use to measure the success of an MIS project?

A. Effectiveness MIS metrics, efficiency MIS metrics
B. Effectiveness MIS metrics, expert MIS metrics
C. Expert MIS metrics, executive MIS metrics
D. All of the above

115.What type of metrics measure throughput, transaction speed, and system availability?

A. Efficiency MIS metrics
B. Effectiveness MIS metrics
ROI
Benchmarks

116.What types of metrics measure customer satisfaction?

A. Efficiency MIS metrics
B. Effectiveness MIS metrics
C. Both efficiency and effectiveness MIS metrics
D. Both ROI and market share

117.According to Peter Drucker, what are managers who do things right addressing?

Efficiency
Effectiveness
Both efficiency and effectiveness
Customer satisfaction only

118.According to Peter Drucker, what are managers who do the right things addressing?

Efficiency
Effectiveness
Both efficiency and effectiveness
Customer satisfaction only

119.Which of the following is a type of effectiveness MIS metric?

A. Transaction speed
B. System availability
Usability
Throughput

120. Which of the following is a type of efficiency MIS metric?

A. Customer satisfaction
B. Conversion rates
C. Financial transactions
D. Web traffic

121. Which term is used to describe the ease with which people perform transactions and/or find information?

Usability
Customer satisfaction
Financial
Conversion rates

122. What is measured by such benchmarks as satisfaction surveys, percentage of existing customers retained, and increases in revenue dollars per customer?

Usability
Customer satisfaction
Financial
Conversion rates

123. What would a company like eBay or Amazon be constantly benchmarking?

A. MIS efficiency
B. MIS effectiveness
C. MIS efficiency and MIS effectiveness
D. Usability metrics only

124. When considering the graph depicting the interrelationships between efficiency and effectiveness, where does an organization ideally want to operate?

Upper right-hand corner
Lower right-hand corner
Upper left-hand corner
Lower left-hand corner

125. Which of the following would efficiency MIS metrics measure?

A. Response time
B. System availability
C. Transaction speed
D. All of the above

126. Which of the following are the four common types of effectiveness MIS metrics?

A. Unstructured decisions, customer satisfaction, conversion rates, financial
B. Usability, customer service, conversion rates, fiscal year revenue
C. Usability, customer satisfaction, conversion rates, financial
D. Usability, customer satisfaction, conversion rates, affordability

127. Drew Savage is an MIS manager for an international consulting firm. Drew travels to different European countries where he implements news response tracking systems. Some of the metrics he uses to track the performance of his system include tracking the response time it takes to respond to Twitter posts mentioning the news station, as well as the speed and accuracy of content posted on numerous websites and social media sites. What type of metrics is Drew using to measure his system?

A. Customer satisfaction metrics
B. Efficiency metrics
C. Effectiveness metrics
D. Benchmarking metrics

128. Efficiency MIS metrics focus on the extent to which a firm is using its resources in an optimal way, while effectiveness MIS metrics focus on _____.

A. Understanding how successful a firm is at achieving its goals and objectives B. Analyzing if a firm is doing the right things
C. Setting the right goals and ensuring they are accomplished D. All of the above

129. Which of the below describes the efficiency MIS metric of throughput?

A. The number of hours a system is available for users
B. The time it takes to respond to user interactions such as a mouse click
C. The amount of information that can travel through a system at any point in time D. The ease with which people perform transactions and/or find information

130. Which of the following tracks the number of customers an organization touches for the first time and persuades to purchase its products or services?

A. Customer satisfaction
Usability
Conversion rates
Financial

131.What does usability effectiveness MIS metrics measure?

A. The ease with which people perform transactions and find information
B. The number of customers an organization "touches" for the first time and persuades to purchase its products or services
C. The amount of time a system takes to perform a transaction D.
The number of hours a system is available for users

132.A common mistake that many managers tend to make is focusing on only one type of metrics because they are easier to measure. Which type of metrics do they focus on?

A. Effectiveness MIS metrics
B. Efficiency MIS metrics
C. Endurance MIS metrics
D. Product sales metrics

133.When analyzing the interrelationships between efficiency and effectiveness, where would a company ideally wants to operate?

A. With high efficiency
The upper right-hand corner of the interrelationship graph
With high effectiveness
All of the above

134.What is the process of continuously measuring system results, comparing those results to optimal system performance, and identifying steps and procedures to improve system performance?

Benchmarking
Bottlenecking
Consolidation
Cycle time

135.Which of the below is not included as part of a benchmark?

A. Benchmarks help assess how an MIS project performs over time
B. When measured against MIS projects, benchmarks can provide feedback so managers can control the system
C. Benchmarks help to establish baseline values the system seeks to attain D. Benchmarks perform all of the above

136. As a manager for your company some of your responsibilities include measuring metrics and overseeing company strategies. You observe some critical success factors and see large increases in productivity. What would you suspect would be the primary reason for the large increases in productivity?

A. Decreases in effectiveness
B. Increases in effectiveness
C. Increases in executive roles
D. Decreases in efficiency

137. What are the most successful solutions or problem-solving methods that have been developed by a specific organization or industry?

ROI
Metrics
Best practices
KPI

138. What indicates the earning power of a project?

ROI
Metrics
Best practices
KPI

139. What are measurements that evaluate results to determine whether a project is meeting its goals?

ROI
Metrics
Best practices
KPI

140. What are the crucial steps companies perform to achieve their goals and objectives and implement their strategies?

ROI
CSF
KPI
None of the above

141. What are the quantifiable metrics a company uses to evaluate progress toward critical success factors?

ROI
CSF
KPI
None of the above

142. Which of the following represents the top-down (executives to analysts) organizational levels of information technology systems?

A. TPS, DSS, EIS
B. DSS, TPS, EIS
C. EIS, DSS, TPS
D. None of the above, it varies from organization to organization

143. Which of the following is an incorrect enterprise view of information technology?

A. Processes are analytical for executives and transactional for analysts B. Granularity is coarse for executives and fine for analysts C. Processing is OLTP for executives and OLAP for analysts D. None of the above

144. What can a model accomplish?

A. Calculate risks
B. Understand uncertainty
C. Manipulate time
D. All of the above

145. What is consolidation?

A. Involves the aggregation of information and features simple roll-ups to complex groupings of interrelated information
B. The ability to look at information from different perspectives
C. Enables users to get details, and details of details, of information
D. Finds the inputs necessary to achieve a goal such as a desired level of output

146. What is drill-down capability?

A. Involves the aggregation of information and features simple roll-ups to complex groupings of interrelated information
B. The ability to look at information from different perspectives
C. Enables users to get details, and details of details, of information
D. Finds the inputs necessary to achieve a goal such as a desired level of output

147. What is slice-and-dice capability?

A. Involves the aggregation of information and features simple roll-ups to complex groupings of interrelated information
B. The ability to look at information from different perspectives
C. Enables users to get details, and details of details, of information
D. Finds the inputs necessary to achieve a goal such as a desired level of output

148. What compiles information from multiple sources and tailors it to meet user needs?

Drill-down
Sensitivity analysis
What-if analysis
Digital dashboard

149. What captures transaction and event information using technology to (1) process the information according to defined business rules, (2) store the information, and (3) update existing information to reflect the new information?

OLTP
OLAP
TPS
DSS

150. What is the basic business system that serves the operational level and assists in making structured decisions?

OLTP
OLAP
TPS
DSS

151. What encompasses all organizational information and its primary purpose is to support the performance of managerial analysis or semistructured decisions.

OLTP
OLAP
Analytical information
Transactional information

152. What encompasses all the information contained within a single business process or unit of work and its primary purpose is to support the performance of daily operational or structured decisions.

OLTP
OLAP
Analytical information
Transactional information

153. What is the manipulation of information to create business intelligence in support of strategic decision making?

OLTP
OLAP
TPS
DSS

154. What models information and provides assistance in evaluating and choosing among different courses of action?

OLTP
OLAP
TPS
DSS

155. What refers to the level of detail in the model or the decision-making process?

Granularity
Visualization
Digital Dashboard
All of the above

156. What produces graphical displays of patterns and complex relationships in large amounts of data?

Granularity
Visualization
Digital Dashboard
All of the above

157. What tracks KPIs and CSFs by compiling information from multiple sources and tailoring it to meet user needs?

Granularity
Visualization
Digital Dashboard
All of the above

158.Which of the below is considered an input in the systems thinking example of a TPS?

CRUD
Calculate
Report
Source Document

159.Which of the below is considered part of the process in the systems thinking example of a TPS?

A. Source Document
Calculate
Report
All of the above

160.Which of the below is considered the output in the systems thinking example of a TPS?

CRUD
Calculate
Report
Source Document

161.Which of the below is considered the input in the systems thinking example of a DSS?

TPS What-If
Optimization
Forecasts

162.Which of the below is considered the process in the systems thinking example of a DSS?

TPS
Optimization
Forecasts
Simulation

163.Which of the below is considered the output in the systems thinking example of a DSS?

TPS
Optimization
Goal Seeking
Forecasts

164.Which of the below is correct in terms of granularity?

A. Refers to the level of detail in the model
B. The greater the granularity the deeper the level of detail of the data C.
The greater the granularity the deeper the level of fineness of the data
D. All of the above

165.Which of the following is a potential feature of a digital dashboard?

A. A hot list of KPIs refreshed every 15 minutes
B. A running line graph of planned versus actual production for the past 24 hours
C. A graph of stock market prices
D. All of the above

166.What is a simplified representation or abstraction of reality?

Model Metric
Redundancy
Sensitivity Analysis

167.What can a manager use a model to do?

A. Calculate risk
B. Change variables
C. Understand uncertainty
D. All of the above

168.What would managers use to make structured decisions at the operational level?

A. Transactional information
B. Analytical information
C. An EIS system
D. Intelligent system

169.Which of the below would create transactional information?

A. Projecting future sales growth
B. Making an airline reservation
C. A semistructured decision to hire more employees
D. Generating payroll reports

170. What are the three primary types of management information systems available to support decision making across the company levels?

A. Transaction Processing Systems, Decision Support Systems, Executive Information Systems B. Analytical Information, Decision Support Systems, Executive Information Systems
Transaction Processing Systems, Drill-Down Systems, Expert Systems
What-If Analysis, Sensitivity Analysis, Goal-Seeking Analysis

171. A transaction processing system (TPS) is the basic business system that assists operational level analysts when making structured decisions. Which of the below is not an example of a TPS?

A. Target's internal company payroll system
B. Comfort Dental patient diagnosis system
C. First Bank's overall accounting system
D. Stewart Sport's order entry system

172. What is the flow that a systems thinking approach using a TPS would follow?

A. Streamlining (Input) - CRUD, Calculate (Process) - Reports (Output)
B. Source Documents (Input) - Optimization Analysis (Process) - (Feedback) - (Output)
C. Source Documents (Input) - CRUD, Calculate (Process) - Reports (Output) - (Feedback)
D. Selling Documents (Input) - Cycle Time (Process) - Reports (Output) - (Feedback)

173. Online transaction processing (OLTP) is the capturing of transaction and event information using technology to _____.

A. Update existing information to reflect the new information
B. Store the information
C. Process the information according to defined business rules
D. All of the above

174. Which of the below does not represent an example of analytical information?

A. Trends and product statistics
Unstructured long-term decisions
Five year sales report
Future growth projections

175. Decision support systems or DSS's model information using OLAP, which provides assistance in evaluating and choosing among different courses of action. Which of the below does not represent an example of a DSS in business?

A. An insurance company using a system to gauge risk of providing insurance to drivers who have imperfect driving records.
B. A medical doctor may enter symptoms into a system to aid them in diagnosing and treating patients.
C. A manufacturing digital dashboard showing visualizations of inventory and production.
D. A dentist entering symptoms into a system to help diagnose and treat patients.

176. What is the MIS system that manipulates information to create business intelligence in support of strategic decision making?

A. Online transaction processing (OLTP)
B. Online analytical processing (OLAP)
C. Digital dashboard
D. Visualization

177. When viewing systems thinking, source documents are the original transaction records. What would the source documents for a medical doctor's payroll system include?

A. Employee time sheets
B. Employee benefit reports
C. Employee wage rates
D. All of the above

178. Which of the below represent the four main DSS analysis techniques outlined in the chapter?

What-If Analysis, Sensitivity Analysis, Goal-Seeking Analysis, Optimization Analysis
Workflow Analysis, Sensitivity Analysis, Growth Analysis, Organizational Analysis
What-If Analysis, Structured Analysis, Goal-Seeking Analysis, Optimization Analysis
What-If Analysis, Sensitivity Analysis, Growth Analysis, Organizational Analysis

179. Tom Repicci is a manager for a McDonald's restaurant. Many of his key responsibilities include analyzing data and making key decisions for the success of his store. Tom's store has been experiencing decreased sales for breakfast services over the past 3 months. Tom is unsure why breakfast revenues are down while lunch and dinner revenues remain unchanged. Tom believes that he can drive revenue up by implementing a few different breakfast promotions such as free coffee or hash browns with the purchase of a meal. Tom performs an extensive analysis of how continuous changes in breakfast promotions could impact his daily revenue. What type of DSS analysis is Tom performing?

A. Optimization analysis
B. Sensitivity analysis C.
Transaction analysis D.
Goal-seeking analysis

180. What is the DSS analysis that checks the impact of a change in a variable or assumption on the model?

A. Optimization analysis
Goal-seeking analysis
Sensitivity analysis
What-if analysis

181. Online transaction processing (OLTP) and online analytical processing (OLAP) are similar MIS strategies used to help with business decision making. What is the primary difference between OLTP and OLAP?

A. OLTP is used at the operational level; OLAP is used at the managerial level
B. OLTP is used to capture transactional and event data; OLAP is used to manipulate information C. OLTP is used to support structured decisions; OLAP is used to support semistructured decisions
D. All of the above

182. An optimization analysis finds the optimum value for a target variable by repeatedly changing other variables, subject to specified constraints. What can a manager determine by changing revenue and cost variables in an optimization analysis?

A. Calculate the highest potential profits
B. Calculate employee benefit payments
C. Use this as an extension for a digital dashboard
D. Create production schedules

183. What is the analysis that works in reverse to what-if and sensitivity analysis by finding the inputs necessary to achieve a goal such as a desired level of output?

A. Solutions based analysis
B. Optimization system
Goal-seeking analysis
Revenue analysis

184. Decision making at the executive or strategic level require business intelligence and knowledge to support the uncertainty and complexity of the business. What is a specialized DSS that supports senior-level executives and unstructured decisions requiring judgment, evaluation, and insight?

OLTP
Executive Information System (EIS)
Transaction Support System (TSS)
Decision Support System (DSS)

185. Executives of a company deal less with details of the operational activities and deal more with the higher meaningful aggregations of information or "coarser" information. What refers to the level of detail in the model?

Drill-down
Visualization
Granularity
Consolidation

186. How does a DSS typically differ from an EIS?

A. EIS requires data from external sources to support unstructured decisions where a DSS typically use internal sources to support semistructured decisions
B. DSS typically use external sources and EIS use internal sources to support decisions C. A DSS never use external sources
D. EIS always use internal sources to support structured decisions

187. What is a graphical display of patterns and complex relationships in large amounts of data?

Visualization
Model
Table
Digital spreadsheet

188. What is a common tool that is used to support visualizations and tracks KPIs and CSFs by compiling information from multiple sources?

Models
Digital dashboards
Neural networks
Verified graphs

189. Which of the below is offered by a digital dashboard?

Consolidation
Drill-down
Slice-and-Dice
All of the above

190. Which of the below would not be found in a digital dashboard for a manufacturing team?

A. A graph of stock market prices
B. A running line graph of planned versus actual production for the past 24 hours C. An excel spreadsheet with cost analysis data
D. A hot list of key performance indicators, refreshed every 15 minutes

191. As the product manager for the eatery division at Whole Foods, Jerry is responsible for analyzing sales data to help him manage his team. Today Jerry is analyzing his data using many different perspectives to identify different ways to improve his division. Which of the following common digital dashboard capabilities is Jerry using to analyze his department's success?

Slice-and-Dice
Competitive tables
Drill-down
Consolidation

192. As the product manager for the eatery division at Whole Foods, Jerry is responsible for analyzing sales data to help him manage his team. Today Jerry is analyzing his data using aggregation techniques allowing him to see simple roll-ups to complex groupings of interrelated information. Which of the following common digital dashboard capabilities is Jerry using to analyze his departments success?

Slice-and-Dice
Competitive tables
Drill-down
Consolidation

193. As the product manager for the eatery division at Whole Foods, Jerry is responsible for analyzing sales data to help him manage his team. Today Jerry is analyzing his data by looking at details, and details of details of information. Which of the following common digital dashboard capabilities is Jerry using to analyze his departments success?

Slice-and-Dice
Competitive tables
Drill-down
Consolidation

194. Van Lines Inc. is a large corporation operating in all 50 states. Jim Poulos is the regional manager overseeing the western division, which includes Utah, Colorado, Idaho, Montana, Wyoming, and Nevada. Jim receives data from his managers in each state which he loads into his digital dashboard for analysis of his entire western division. What digital dashboard capability is Jim primarily using?

Drill-down Slice-
and-dice
Intelligent system
Consolidation

195. What is a category of AI that attempts to emulate the way the human brain works?

A. Intelligent system
B. Artificial intelligence
C. Expert systems
D. Neural network

196. Which of the following is the most commonly used form of AI in the business arena?

A. Intelligent system
B. Artificial intelligence
C. Expert system
D. Neural network

197. What is a special-purpose knowledge-based information system that accomplishes specific tasks on behalf of its users?

A. Intelligent system
B. Artificial intelligence
C. Neural network
D. Intelligent agent

198. What do cargo transport systems, book distribution centers, the video game market, a flu epidemic, and an ant colony have in common?

A. They are all expert systems and thus share some characteristics
B. They are all genetic algorithm systems and thus share some characteristics
C. They are all neural network systems and thus share some characteristics
D. They are all complex adaptive systems and thus share some characteristics

199. Which industry has been relying on neural network technology for over two decades?

A. Food service
Hotels
Finance
Healthcare

200. Which type of AI system assigns values of 0 and 1 to vague or ambiguous information?

A. Genetic algorithms
B. Artificial intelligence
C. Fuzzy logic
D. Intelligent agents

201. Artificial Intelligence stimulates human thinking and behavior, such as the ability to reason and learn. What is the ultimate goal of AI?

A. To build an intelligent system
B. To build an intelligent agent
C. To build a system that can mimic human intelligence
D. To build a system that can mimic an expert agent

202.Which of the following is an example of an intelligent system?

A. The Firefighter Robot that can extinguish flames at chemical plants B. Shell Oil's Smart Pump robot that pumps gas for the customer C. A robot that cleans and sweeps at a local airport D. All of the above

203.Which of the below does not represent a category of AI?

A. Genetic algorithms
B. Neural networks
C. Expert systems
D. Consolidation

204.What is a system that uses computerized advisory programs to imitate the reasoning processes of experts in solving difficult problems?

A. Expert system
B. Virtual reality
C. Neural network
D. Genetic algorithm

205.Which of the below categories of AI is used extensively in the finance industry to analyze situations where the logic or rules are unknown?

A. Expert system
B. Virtual reality
C. Neural network
D. Genetic algorithm

206.Which of the following is not a feature of a neural network?

A. Neural networks can cope with huge volumes of information with many variables
Neural networks can function without complete or well-structured information
Neural networks can analyze linear relationships only
Neural networks can learn and adjust to new circumstance on their own

207.What is the mathematical method of handling imprecise or subjective information?

A. Fuzzy logic
B. Virtual reality
C. Expert system
D. Genetic algorithm

208. Sears department stores used to plant employees in competitor stores to perform research and analysis. Recently the company implemented a system that can search competitor websites and provide comparisons of price, promotions, and availability and the system is saving time, money, and resources. What type of system did Sears implement?

A. Shopping algorithm
B. Shopping network
C. Shopping logic
D. Shopping bot

209. What is the process of learning from ecosystems and adapting their characteristics to human and organization situations?

A. Data collection
B. Artificial intelligence
Biomimicry
Intelligent system

210. Which of the following is a special-purpose knowledge based information system that accomplishes specific tasks on behalf of its users?

A. Intelligent agent
B. Executive agent
C. Expert agent
D. Modeling system

211. Which of the below offers a disadvantage for working virtually?

A. Increases in worker productivity
B. Increases in feelings of seclusion
C. Decreases in expenses for the company
D. Alleviation of congested roadways

212. What is an optimizing system that can find and evaluate solutions with many more possibilities, faster and more thoroughly than a human?

A. Genetic algorithm
B. Expert system
C. Intelligent agent
D. Virtual reality

213. Bob Silver loves playing a game called World of Warcraft where he has the capability to create his own character and even his own life-like environment. Which AI system would you categorize World of Warcraft?

Multi-agent system
Expert system
Virtual reality
Fuzzy logic system

214. Which of the following offers an example of an intelligent agent that uses a multi-agent system?

A. A cargo transport system
B. Book distribution center
C. A flu epidemic
D. All of the above

215. What types of business decisions would an EIS use AI for?

A. Semistructured decisions
B. Multistructured decisions
C. Structured decisions
D. Unstructured decisions

216. Which of the below business ideas is not using AI?

A. Best Buy implements a software system that will determine how many customers are needed to increase gross profits to $5 million
B. McDonald's unveiling a robot that cleans and tidies the restaurant, while also asking guests if it can take their trays to the trash
C. Starbucks creates a system that works like a hand and lifts and moves the mixing pots for the coffees to and from the coffee machines to the counters
D. Golf courses create an automated golf cart that can offer swing suggestions, club suggestions, and even navigate the course for the driver

217. What is the viewing of the physical world with computer-generated layers of information added to it?

A. Virtual reality
B. Augmented reality
C. Virtual workforce
D. All of the above

218. What is a computer-simulated environment that can be a simulation of the real world or an imaginary world?

A. Virtual reality
B. Augmented reality
C. Virtual workforce
D. All of the above

219. What is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome.

A. Augmented reality
Mutation
Fuzzy logic
Shopping bot

220. What is software that will search several retailer websites and provide a comparison of each retailer's offerings including prices and availability?

A. Augmented reality
Mutation
Fuzzy logic
Shopping bot

221. Which of the below business processes would you find in the marketing and sales division?

A. Ordering inventory
B. Enrolling employees in health care benefits
C. Promoting of discounts
D. Creating financial statements

222. Which of the following departments is primarily responsible for promoting discounts, attracting customers, and communicating marketing campaigns?

A. Accounting and Finance
B. Marketing and Sales
C. Operations Management
D. Human Resources

223. Which of the following represents a business process you would find in the operations management department?

A. Ordering inventory
B. Processing sales
C. Promoting discounts
D. Paying of accounts payable

224. Most business processes are cross-functional or cross-departmental processes that span the entire organization. Which of the below does not represent a cross-functional business process?

Order-to-delivery process
Loan processing
Taking a product from concept to market
Processing payroll

225. The accounting and finance department performs processes such as creating financial statements, paying accounts payables, and collecting accounts receivables. What form of processes do these represent?

Customer-facing processes
Business-facing processes
Industry-specific customer facing processes
All of the above

226. What form of processes include loan processing for a bank, claims processing for an insurance company, reservation processing for a hotel, and baggage handling for an airline?

Customer-facing processes
Business-facing processes
Industry-specific customer-facing processes
All of the above

227. What type of process includes order processing, customer service processing, sales processing, customer billing processing, and order shipping processing?

Customer-facing processes
Business-facing processes
Industry-specific customer facing processes
All of the above

228. Which of the below represents business processes you would find in the human resources department?

A. Hiring employees
B. Enrolling employees in benefit plans
C. Tracking vacation and sick time
D. All of the above

229. What is the difference between customer-facing processes and business-facing processes?

Business-facing processes are front-office processes, customer-facing processes are back-office processes
Customer-facing processes are front-office processes, business-facing processes are back-office processes
Customer-facing processes are back-office processes, and industry-specific customer-facing processes are back-office processes
Customer-facing processes are back-office processes, and industry-specific customer-facing processes are front-office processes

230. Which of the below is a customer-facing process?

A. Communicating with customers
B. Strategic goal setting
C. Providing performance feedback and rewards
D. Purchasing raw materials

231. Which of the following represents a business-facing process?

A. Loan processing
B. Order processing
C. Strategic planning
D. Customer billing

232. When considering the 5-steps of the order-to-delivery business process, creating campaigns and checking inventory are included in which of the following?

A. Step 4 - Sales
B. Step 1 - Marketing
C. Step 3 - Operations management
D. Step 2 - Customer service

233. Which of the following processes focuses on the entire customer order process and operates across functional departments?

A. Order to delivery process
B. Customer billing process
C. Customer loan process
D. All of the above

234. Which of the below processes would be found in the operations management department?

A. Creating production schedules
B. Communicating marketing campaigns
C. Hiring employees
D. Processing sales

235.Which of the following should a business follow for success?

A. Technology choices should drive business processes
B. Business processes should drive technology choices
C. Technology choices should drive business strategies and goals
D. All of the above depending on the industry

236.Business process modeling or mapping, is the activity of creating a detailed flowchart or process map of a work process that shows its inputs, tasks, and activities in a _____ sequence.

Unstructured
Semi structured
Structured
Unilateral

237.Jessica Ulta works as an employee for City Service Credit Union and is responsible for consulting on loans, talking clients through the loan process, and providing loans to members. What type of processes does Jessica primarily work with?

Business-facing processes
Industry-specific customer facing processes
Customer-facing process
Industry-specific business-facing processes

238.Sarah Schin was recently hired by Bank West as the Global Director of Human Resources. Her job duties include determining employment policies as well as overseeing all hiring, firing, and training of employees. What type of processes does Sarah's new job demonstrate?

Business-facing processes
Industry-specific customer facing processes
Customer-facing process
Industry-specific business-facing processes

239.What is a model that represents the current state of the operation without any specific improvements or changes to existing processes?

As-Is process models
To-Be process models
Competitive business process models
Workflow model

240. What is the business process model that ensures the process is fully and clearly understood before the details of a process solution are decided upon?

As-Is process model
Business process reengineering model
Customer facing process
To-Be process model

241. What is the difference between the As-Is process model and the To-Be process model?

The As-Is process model begins with what the process problem is, and the To-Be process model displays how the problem will be solved
The process models are not related
Both process models determine when to solve the problem
The As-Is process model begins with where to implement the solution, and the To-Be process model displays why the problem needs to be fixed

242. What is the primary goal of the As-Is process model?

To outline the process elements for the To-Be process
To create process choices for the As-Is process
To simplify, eliminate, and improve the To-Be process
To analyze the To-Be process elements

243. The local florist in town is Cheryl Steffan who has been in business for over 20 years. Recently, Cheryl has noticed several complaints about delivery errors. Cheryl decides to investigate the errors in her business delivery process and finds that most of the inaccuracies occur during order taking. Cheryl decides to implement an electronic ordering system to help improve order efficiency and effectiveness. What method did Cheryl follow to solve her delivery issues?

Modeled the As-Is process, fixed the errors, and then created the To-Be process
Modeled the To-Be process, fixed the errors, and then created the As-Is process
Moved directly to implementing the To-Be process without analyzing the As-Is process
Moved directly to implementing the As-Is process without analyzing the To-Be process

244. What is the primary goal of using As-Is and To-Be process models?

A. To determine employee specific errors
B. To determine measurement metrics
C. To determine the best way to solve a problem
D. To determine what the problem is and then how to solve the problem

245. Review the below list of key terms and determine which one typically occurs during operational business process improvement.

Automation
Streamlining
Reengineering
Improvement

246. Review the below list of key terms and determine which one typically occurs during managerial business process improvement.

Automation
Streamlining
Reengineering
Improvement

247. Review the below list of key terms and determine which one typically occurs during strategic business process improvement.

Automation
Streamlining
Reengineering
Improvement

248. Which of the below examples indicates when the time is right to initiate a business process change?

A. The market being served makes a distinctive shift
B. The company is below industry benchmarks on its core processes
C. The company strategically passes or leapfrogs the competition on key decisions to regain competitive advantage
D. All of the above

249. What does BPR assume about the current process in the extreme?

A. Current process is irrelevant
B. Current process is broken
C. Current process must be overhauled from scratch
D. All of the above

250. Which of the below processes attempt to understand and measure the current process and make improvements?

A. Business process mapping
B. Business process reengineering
C. Business process improvement
D. Business process model

251. Transaction processing systems are primarily used to automate business processes. Automation increases efficiency and effectiveness, while reducing head count which in turn reduces the overall operational _____.

Costs
Systems
Revenues
Intelligence

252. Several factors can accelerate the need for a company to make business improvement processes. What is the most prevalent factor?

A. Market shifts
Technology
Discoveries
Bottlenecking

253. What improves managerial level business processes?

A. Performance measures
Bottlenecks
Redundancy
Streamlining

254. What is the point when resources reach full capacity and cannot handle any additional demands?

A. Optimization analysis
Bottlenecks
Redundancy
Swim lane

255. Automating a business process that contains _____ or _____ will magnify or amplify these problems if they are not corrected first.

A. Bottlenecks; regulations
B. Redundancies; regulations
C. Bottlenecks; redundancies
D. Redundancies; swim lanes

256. Fedex is a great example of a company that created a competitive advantage through combining MIS and _____.

A. Traditional distribution and logistics processes
Logistic processes and an As-Is process model
Artificial intelligence and As-Is process model
Swim lanes and logistic processes

257. What is the analysis and redesign of workflow within and between enterprises?

A. Critical success factors (CSFs)
B. Benchmarking metrics
C. Business process reengineering (BPR)
D. Decision support interfaces (DSI)

258. Changing business processes with MIS outlines how to improve the three levels of business processes which include operational, managerial, and strategic. From operational to strategic, what are the three major improvement strategies that the author describes?

A. Automation - streamlining - reengineering
B. Artificial intelligence - streamlining - reengineering
C. Automation - workflow - reinvention
D. Automation - consolidating - restructuring

259. Which of the below represents the four main steps in the business process reengineering?

A. Set project problem, study competition, create new products, and implement solution
B. Set project scope, study competition, create new products, and implement solution C. Set project scope, study competition, create new processes, and implement solution D. Study competition, set project scope, create new processes, and implement solutions

260. Which of the following explains why a company would implement a BPR strategy?

A. To encourage competition
B. To decrease customers
C. To create value for the customer
D. All of the above

261. What includes the tasks, activities, and responsibilities required to execute each step in a business process?

Workflow
Swim lane
Automation
Streamlining

262. What is the process of computerizing manual tasks, making them more efficient and effective and dramatically lowering operational costs?

Workflow
Swim lane
Automation
Streamlining

263. What improves business process efficiencies by simplifying or eliminating unnecessary steps?

Workflow
Swim lane
Automation
Streamlining

264. What occurs when resources reach full capacity and cannot handle any additional demands limiting throughput and impeding operations?

Bottlenecks
Redundancy
Automation
Streamlining

265. What occurs when a task or activity is unnecessarily repeated?

Bottlenecks
Redundancy
Automation
Streamlining

266. What is the system that focuses on evaluating and improving the processes that include both person-to-person workflow and system-to-system communications?

A. Business process management (BPM) systems
B. Semistructured systems
C. Virtual reality
D. All of the above

Fill in the Blank Questions

267. _____ decisions are considered operational, and involve situations where established processes offer potential solutions.

_____

268. The typical structure of a business organization is similar to a pyramid and consists, from top to bottom, of strategic, managerial, and _____ levels.

_____

269. At the _____ level, of a business structure, employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change.

_____

270. The _____ level, of a business structure, is where employees develop, control, and maintain core business activities required to run the day-to-day activities.

_____

271. The President and Vice-President of a company are typically found in the _____ level of the business structure.

_____

272. Situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision are considered _____ decisions.

_____

273. _____ is the science of fact-based decision making.

_____

274. The structure of a typical organization is similar to a _____.

_____

275. A _____ is a temporary activity a company undertakes to create a unique product, service, or result.

_____

276. The crucial steps companies perform to achieve their goals and objectives and implement their strategies are called _____ success factor.

_____

277. _____ MIS metrics measure the impact MIS has on business processes and activities including customer satisfaction and customer conversion rates.

_____

278. _____ MIS metrics measure the performance of the IT system itself including throughput, speed, availability, etc.

_____

279. _____ focuses on how well an organization is achieving its goals and objectives.

_____

280. _____ focuses on the extent to which an organization is using its resources in an optimal way.

_____

281. _____ are baseline values the system seeks to attain.

_____

282. _____ is a process of continuously measuring system results, comparing those results to optimal system performance, and identifying steps and procedures to improve system performance.

_____

283. _____ is the amount of information that can travel through a system at any point in time.

_____

284. System _____ is the number of hours a system is available for use by customers and employees.

_____

285. _____ practices are the most successful solutions or problem-solving methods that have been developed by a specific organization or industry.

_____

286. _____ seeking analysis finds the inputs necessary to achieve a goal such as a desired level of output.

_____

287. The basic business system that serves the operational level (analysts) and assists in making structure decisions is called _____ processing system.

_____

288. Using systems thinking, we can see that the inputs for a transaction processing system are _____ documents, the original transaction record.

_____

289. _____ support systems model information using OLAP which provides assistance in evaluating and choosing among different courses of action.

_____

290. A _____ is a simplified representation or abstraction of reality.

_____

291. _____ information systems is a specialized DSS that supports senior-level executives and unstructured, long-term, nonroutine decisions requiring judgment, evolution and insight.

_____

292. _____ refers to the level of detail in the model or the decision-making process.

_____

293. _____ produces graphical displays of patterns and complex relationships in large amounts of data.

_____

294. A digital _____ tracks KPIs and CSFs by compiling information from multiple sources and tailoring it to meet user needs.

_____

295. A model is a simplified representation or abstraction of _____.

_____

296. A decision support system models _____ to support managers and business professionals during the decision-making process.

_____

297. _____ analysis occurs when users change the value of one variable repeatedly and observe the resulting changes in other variables.

_____

298. What-if analysis checks the impact of a _____ in an assumption on the proposed solution.

_____

299. _____ logic is a mathematical method of handling imprecise or subjective information.

_____

300. _____ systems are various commercial applications of artificial intelligence.

_____

301. Artificial intelligence simulates _____ intelligence such as the ability to reason and learn.

_____

302. _____ systems are computerized advisory programs that imitate the reasoning processes of experts in solving difficult problems.

_____

303. A(n) _____ agent is a special-purpose knowledge-based information system that accomplishes specific tasks on behalf of its users.

_____

304. Executive information systems are starting to take advantage of _____ intelligence to support strategic decision making, by stimulating human thinking and behavior.

_____

305. A shopping _____ is software that will search several retailer websites and provide a comparison of each retailer's offerings including price and availability.

_____

306. Citibank uses _____ networks to find opportunities in financial markets by carefully examining historical stock market data.

_____

307. At Microsoft's headquarters in Washington they have implemented a _____ workforce to help alleviate congestion, save on real estate, and potentially increase worker production.

_____

308. The _____ facing processes are also called front-office processes that result in a product or service received by an external customer.

_____

309. _____ processes are business processes, such as manufacturing goods, selling products, and providing service that make up the primary activities in a value chain.

_____

310. A business process _____ is a patent that protects a specific set of procedures for conducting a particular business activity.

_____

311. A _____ lane layout arranges the steps of a business process into a set of rows depicting the various elements.

_____

312. Business process modeling or _____ is the activity of creating a detailed flowchart or process of a work process that shows its inputs, tasks, and activities in a structured sequence.

_____

313. As-Is _____ model represents the current state of the operation that has been mapped, without any specific improvements or changes to existing processes.

_____

314. To-Be process _____ represent the current state of the operation that has been mapped, without any specific improvements or changes to existing processes.

_____

315. A _____ occurs when resources reach full capacity and cannot handle any additional demands.

_____

_____

316. The primary types of business process change from the operational level to the strategic level are _____, streamlining, and reengineering.

_____

317. Business process reengineering is the analysis and _____ of workflow within and between enterprises.

_____

318. _____ includes the tasks, activities, and responsibilities required to execute each step in a business process.

_____

319. _____ is the process of computerizing manual tasks, making them more efficient and effective and dramatically lowering operational costs.

_____

320. _____ improves business process efficiencies by simplifying or eliminating unnecessary steps in a process.

_____

321. A business _____ management system focuses on evaluating and improving processes that include both person-to-person workflow and system-to-system communications.

_____

Essay Questions

322. Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.

323. Define critical success factors (CSFs) and key performance indicators (KPIs), and explain how managers use them to measure the success of MIS projects.

324. Classify the different operational support systems, managerial support systems, and strategic support systems, and explain how managers can use these systems to make decisions and gain competitive advantages.

325. Describe artificial intelligence, and identify its five main types.

326. Explain the value of business processes for a company, and differentiate between customer-facing and business-facing process.

327.Demonstrate the value of business process modeling, and compare As-Is and To-Be models.

328.Differentiate among business process improvements, streamlining, and reengineering.

329.Describe business process management and its value to an organization.

Chapter 02 Decisions + Processes: Value Driven Business Answer Key

True / False Questions

Analytics is the science of fact-based decision making.
(p. 28)

TRUE

Analytics is the science of fact-based decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

At the operational level employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change.
(p. 30)

FALSE

At the managerial level employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

At the operational level employees are develop, control, and maintain core business activities required to run the day-to-day operations.
(p. 29)

TRUE

At the operational level employees are develop, control, and maintain core business activities required to run the day-to-day operations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Operational decisions are considered structured decisions.

(p. 29)

TRUE

Operational decisions are considered structured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Asking how many employees are out sick is a type of operational question.

(p. 30)

TRUE

Asking how many employees are out sick is a type of operational question.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Strategic decisions are highly structured decisions.

(p. 30)

FALSE

Strategic decisions are highly unstructured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

One of the most important and challenging questions confronting managers today is how to lay the foundation for tomorrow's success while competing to win in today's business environment.

(p. 28)

TRUE

The most important and most challenging questions confronting managers today is how to lay the foundation for tomorrow's success while competing to win in today's business environment.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

The structure of a typical organization is similar to a pyramid, with different levels that require one consistent type of information to assist with all managerial decision making. *(p. 29)*

FALSE

The structure of a typical organization is similar to a pyramid, with different levels that require different types of information to assist decision making, problem solving, and opportunity capturing.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Operational decisions or semistructured decisions arise in situations where established processes offer potential solutions. *(p. 29)*

FALSE

Operational decisions are considered structured decisions not semistructured decision, which arise in situations where established processes offer potential solutions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Unstructured decisions occur in situations in which no procedures or rules exist to guide decision makers towards the correct choice. *(p. 30)*

TRUE

Unstructured decisions occur in situations in which no procedures or rules exist to guide decision makers toward the correct choice.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.

At the strategic decision-making level employees develop, control, and maintain core business activities. *(p. 29)*

FALSE

At the operational decision-making level employees develop, control, and maintain core business activities required to run the day-to-day operations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

The construction of a new city subway station and the processing of monthly payroll are both considered types of projects as defined in your text. *(p. 30)*

FALSE

A project is considered a temporary activity a company undertakes to create a unique product, service, or result. The subway station construction is a project, however payroll processing is not a project and does not create a unique product, service, or result.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 3 Hard
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Key performance indicators can focus on external and internal measurements. *(p. 32)*

TRUE

Key performance indicators (KPI's) can focus on external and internal measurements.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

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The proportion of the market that a firm captures is called market share.
(p. 32)

TRUE

The proportion of the market that a firm captures is called market share.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Benchmarks are baseline values the system seeks to attain.
(p. 35)

TRUE

Benchmarks are baseline values the system seeks to attain.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Effectiveness MIS metrics include throughput, transaction speed, and system availability.
(p. 33)

FALSE

Efficiency MIS metrics include throughput, speed, and availability.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Measuring the amount of website traffic is the best way to determine an organization's success.
(p. 34)

FALSE

A large amount of website traffic does not indicate large revenues or website success.

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

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Difficulty: 1 Easy

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Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

A project is a temporary activity a company undertakes to create a unique product, service, or *(p. 30)* result.

TRUE

A project is a temporary activity a company undertakes to create a unique product, service, or result.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Metrics are temporary activities a company undertakes to create a unique product, service, or *(p. 30)* result.

FALSE

A project is a temporary activity a company undertakes to create a unique product, service, or result.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Metrics are measurements that evaluate results to determine whether a project is meeting its *(p. 32)* goals.

TRUE

Metrics are measurements that evaluate results to determine whether a project is meeting its goals.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Efficiency MIS metrics include throughput, speed, and availability.
(p. 33)

TRUE

Efficiency MIS metrics include throughput, speed, and availability.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Effectiveness MIS metrics measure the impact MIS has on business processes and activities,
(p. 33) including customer satisfaction and customer conversion rates.

TRUE

Effectiveness MIS metrics measure the impact MIS has on business processes and activities, including customer satisfaction and customer conversion rates.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Efficiency MIS metrics measure the impact MIS has on business processes and activities,
(p. 33) including customer satisfaction and customer conversion rates.

FALSE

Effectiveness MIS metrics measure the impact MIS has on business processes and activities, including customer satisfaction and customer conversion rates.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

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Best practices are the most successful solutions or problem-solving methods that have been developed by a specific organization or industry. *(p. 32-33)*

TRUE

Best practices are the most successful solutions or problem-solving methods that have been developed by a specific organization or industry.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Return on investment indicates the earning power of a project. *(p. 32)*

TRUE

Return on investment indicates the earning power of a project.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

MIS support systems rely on models for computational and analytical routines that mathematically express relationships among variables. *(p. 36)*

TRUE

MIS support systems rely on models for computational and analytical routines that mathematically express relationships among variables.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

2-57

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Streamlining information encompasses all of the information contained within a single business process or unit of work, and its primary purpose is to support the performing of daily operational or structured decisions. *(p. 36)*

FALSE

Transactional information encompasses all of the information contained within a single business process or unit of work, and its primary purpose is to support the performing of daily operational or structured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Sensitivity analysis, what-if analysis, optimization analysis, and market basket analysis are the common DSS analysis techniques. *(p. 37)*

FALSE

Sensitivity analysis, what-if analysis, optimization analysis, and goal-seeking analysis are the common DSS analysis techniques.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Digital dashboards offer consolidation, drill-down, and slice-and-dice capabilities. *(p. 40)*

TRUE

Digital dashboards offer consolidation, drill-down, and slice-and-dice capabilities.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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Managers use transactional information when making structured decisions at the operational level. *(p. 36)*

TRUE

Managers use transactional information when making structured decisions at the operational level.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

The manipulation of information to create business intelligence in support of strategic decision making is referred to as OLTP or online transaction processing. *(p. 36)*

FALSE

The manipulation of information to create business intelligence in support of strategic decision making is online analytical processing (OLAP).

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

A model is a simplified representation or abstraction of reality. *(p. 36)*

TRUE

A model is a simplified representation or abstraction of reality.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Source documents are simplified representation or abstraction of reality. *(p. 36)*

FALSE

A model is a simplified representation or abstraction of reality.

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AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Source documents are the original transaction records.
(p. 36)

TRUE

Source documents are the original transaction records.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Granularity refers to the level of detail in the model or the decision-making process.
(p. 38)

TRUE

Granularity refers to the level of detail in the model or the decision-making process.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Visualization produces graphical displays of patterns and complex relationships in large amounts of data.
(p. 39)

TRUE

Visualization produces graphical displays of patterns and complex relationships in large amounts of data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

A digital dashboard produces graphical displays of patterns and complex relationships in large amounts of data. *(p. 39)*

FALSE

Visualization produces graphical displays of patterns and complex relationships in large amounts of data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Intelligent systems are various commercial applications of artificial intelligence. *(p. 41)*

TRUE

Intelligent systems are various commercial applications of artificial intelligence.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

A neural network is a category of efficiency metrics where it attempts to measure the way the human brain works. *(p. 42)*

FALSE

A neural network is a category of artificial Intelligence where it always attempts to emulate the way the human brain works.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Investment companies use genetic effectiveness metrics to help in trading decisions. *(p. 43)*

FALSE

Investment companies use genetic algorithms to help in trading decisions.

AACSB: Reflective Thinking
AACSB: Technology

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Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

A shopping bot is one of the simplest examples of an intelligent agent.
(p. 43)

TRUE

A shopping bot is one of the simplest examples of an intelligent agent.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

At Microsoft's headquarters, to eliminate congestion and save on other business expenses the company offered employees the option to work virtually from home.
(p. 44)

TRUE

At Microsoft's headquarters, to eliminate congestion and save on other business expenses the company offered employees to be able to work from home virtually.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Fuzzy logic is a mathematical method of handling imprecise or subjective information.
(p. 42)

TRUE

Fuzzy logic is a mathematical method of handling imprecise or subjective information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Fuzzy logic is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome. *(p. 43)*

FALSE

Mutation is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Mutation is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome. *(p. 43)*

TRUE

Mutation is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Mutation is a mathematical method of handling imprecise or subjective information. *(p. 43)*

FALSE

Fuzzy logic is a mathematical method of handling imprecise or subjective information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Virtual reality is a computer-simulated environment that can be a simulation of the real world or an imaginary world. *(p. 43)*

TRUE

Virtual reality is a computer-simulated environment that can be a simulation of the real world or an imaginary world.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Augmented reality is the viewing of the physical world with computer-generated layers of information added to it. *(p. 44)*

TRUE

Augmented reality is the viewing of the physical world with computer-generated layers of information added to it.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Augmented reality is a computer-simulated environment that can be a simulation of the real world or an imaginary world. *(p. 44)*

FALSE

Augmented reality is the viewing of the physical world with computer-generated layers of information added to it.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Virtual reality is the viewing of the physical world with computer-generated layers of information added to it. *(p. 43)*

FALSE

Virtual reality is a computer-simulated environment that can be a simulation of the real world or an imaginary world.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Business-facing processes or back-office processes are invisible to the external customer but essential to the effective management and operation of the business. *(p. 44)*

TRUE

Business-facing processes or back-office processes are invisible to the external customer but essential to the effective management of the business.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

When evaluating the 5-steps in the order-to-delivery business process, step one includes creating a campaign and checking inventory, which are both part of the sales function. *(p. 45)*

FALSE

Step one includes creating a campaign and checking inventory, which are both part of the marketing function.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Strategic planning is a customer-facing business process. *(p. 46)*

FALSE

Strategic planning is a business-facing process and is invisible to the customer.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Product delivery is a customer-facing business process. *(p. 44)*

TRUE

Product delivery is a customer-facing business process.

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Improving the efficiency and effectiveness of its business processes will improve a firm's value chain. *(p. 44)*

TRUE

Improving the efficiency and effectiveness of its business processes will improve the firm's value chain.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Core processes are business processes, such as manufacturing goods, selling products, and providing services that make up the primary activities in a value chain. *(p. 44)*

TRUE

Core processes are business processes, such as manufacturing goods, selling products, and providing services that make up the primary activities in a value chain.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Core processes are patents that protect a specific set of procedures for conducting a particular business activity. *(p. 44)*

FALSE

Business process patents are patents that protect a specific set of procedures for conducting a particular business activity.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

A business process patent is a patent that protects a specific set of procedures for conducting a particular business activity. *(p. 44)*

TRUE

A business process patent is a patent that protects a specific set of procedures for conducting a particular business activity.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

A business management system is a graphic description of a process, showing the sequence of process tasks, which is developed for a specific purpose and from a selected viewpoint. *(p. 45)*

FALSE

A business process model is a graphic description of a process, showing the sequence of process tasks, which is developed for a specific purpose and from a selected viewpoint.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

To-Be process models show the results of applying change improvement opportunities to the current (As-Is) process model. *(p. 46)*

TRUE

To-Be process models show the results of applying change improvement opportunities to the current (As-Is) process model.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

The primary goal of an As-Is process model is to simplify, eliminate, and improve the To-Be processes. *(p. 46)*

TRUE

The primary goal of an As-Is process model is primarily to simplify, eliminate, and improve the To-Be processes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

Business processes should never drive MIS choices and should be based on business strategies and goals. *(p. 49)*

FALSE

Business processes should drive MIS choices and should be based on business strategies and goals.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

A swim lane layout arranges the steps of a business process into a set of rows depicting the various elements. *(p. 46)*

TRUE

A swim lane layout arranges the steps of a business process into a set of rows depicting the various elements.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

A swim lane layout arranges the steps of a business process into a circle with pictures *(p. 46)* showing the process flows.

FALSE

A swim lane layout arranges the steps of a business process into a set of rows depicting the various elements.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

Redundancy occurs when a task or activity is never repeated. *(p. 51)*

FALSE

Redundancy occurs when a task or activity is unnecessarily repeated.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Business process reengineering is the analysis and redesign of workflow within and between *(p. 52)* enterprises.

TRUE

Business process reengineering (BPR) is the analysis and redesign of workflow within and between enterprises.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Business process management systems evaluate and improve processes that include both *(p. 54)* person-to-person workflow and system-to-system communications.

TRUE

Business process management (BPM) system focus on evaluating and improving processes that include both person-to-person workflow and system-to-system communications.

AACSB: Reflective Thinking
AACSB: Technology

Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-08 Describe business process management and its value to an organization.
Topic: The Future: Business Process Management

BPM systems include advanced features such as enhanced process modeling, simulation, execution, and monitoring, providing a high level of flexibility while reducing costs. *(p. 54)*

TRUE

BPM systems include advanced features such as enhanced process modeling, simulation, execution, and monitoring, providing a high level of flexibility while reducing costs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-08 Describe business process management and its value to an organization.
Topic: The Future: Business Process Management

Multiple Choice Questions

Which of the following is not a type of organizational information system? *(p. 36)*

Executive information system
Decisions support system
Analysis processing system
Transactional processing system

Analysis processing system is not a type of organizational IS.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is an important challenge facing managers today?
(p. 28)

Making business decision Solving business problems Competing to win in today's market All of the above

The most important challenges facing management of a company is 1) decision making, 2) cultivating strategies for the future business, and 3) competing to win in today's market.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

What must managers be able to do to compete in today's global marketplace?
(p. 28)

Make decisions to gain competitive advantages
Make decision that can help forecast future business needs
Make decision that can help forecast future business requirements
All of the above

We learn in chapter two that to achieve competitive advantages, managers must be able to make decisions and be able to forecast future business needs and requirements.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Which of the below is not considered a challenge facing most managers today?
(p. 28)

Managerial decisions must be made quickly
Strategic decisions need to be made by applying analysis techniques
Artificial intelligence is required by all managers to be successful
Managerial decisions require large amounts of information to analyze

The primary decision-making challenges facing managers today are 1) decisions must be made quickly, 2) strategic decisions need to be made by applying analysis techniques, and 3) they have large amounts of information to analyze.

AACSB: Reflective Thinking
AACSB: Technology

Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Which of the following is not included in the decision-making process?
(p. 29)

Data Collection
Solution Benchmarking
Solution Generation
Solution Test

The six-step decision making process is 1) problem identification, 2) data collection, 3) solution generation, 4) solution test, 5) solution selection, and 6) solution implementation.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

When evaluating the six-step decision making process, what occurs during the solution implementation step?
(p. 29)

The process will begin again if the decisions made were incorrect
Definition of the problem as clearly and precisely as possible
Details of every solution possible including ideas that seem far fetched
The solution that best solves the problem is selected

The six-step decision making process is 1) problem identification, 2) data collection, 3) solution generation, 4) solution test, 5) solution selection, and 6) solution implementation. The final step is where the solution solves the problem or if wrong decisions were made than then the process begins again.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

When evaluating the six-step decision making process, what occurs during the problem identification step? *(p. 29)*

The process will begin again if the decisions made were incorrect
Definition of the problem as clearly and precisely as possible
Details of every solution possible including ideas that seem far fetched
The solution that best solves the problem is selected

The six-step decision making process is 1) problem identification, 2) data collection, 3) solution generation, 4) solution test, 5) solution selection, and 6) solution implementation. During the problem identification step you must define the problem as clearly and precisely as possible.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

When evaluating the six-step decision making process, what occurs during the solution selection step? *(p. 29)*

The process will begin again if the decisions made were incorrect
Definition of the problem as clearly and precisely as possible
Details of every solution possible including ideas that seem far fetched
The solution that best solves the problem is selected

The six-step decision making process is 1) problem identification, 2) data collection, 3) solution generation, 4) solution test, 5) solution selection, and 6) solution implementation. During the solution selection step you select the solution that best solves the problem and meets the needs of the business.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

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When evaluating the six-step decision making process, what occurs during the solution test step? *(p. 29)*

The process will begin again if the decisions made were incorrect
Definition of the problem as clearly and precisely as possible
Details of every solution possible including ideas that seem far fetched
None of the above

The six-step decision making process is 1) problem identification, 2) data collection, 3) solution generation, 4) solution test, 5) solution selection, and 6) solution implementation. During the solution test step you evaluate solution in terms of feasibility, suitability, and acceptability.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Which of the below represents the structure of a typical organization? *(p. 29)*

Flat line
Pyramid
Circle
Cube

The structure of today's business organizations is typically a pyramid. At each level different types of information is used to assist the business with 1) decision-making, 2) problem solving, and 3) opportunity capturing.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Which of the below represents the three different levels of a company pyramid from the top to the bottom? *(p. 29)*

Managerial - Strategic - Operational
Strategic - Managerial - Operational
Operational - Managerial - Strategic
Strategic - Operational - Managerial

The three different levels on the structure of a company pyramid are from top to bottom strategic - managerial - operational.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Which of the below would you include as decisions and responsibilities typically found at the managerial level of a company? *(p. 30)*

Monthly Plans
Monthly Budgets
Weekly Schedule
All of the above

Some of the decisions and responsibilities of managerial level employees include short-term or medium-range plans, scheduling, budgeting, policies and procedures, and business objectives for the firm.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Which of the below would you include as decisions and responsibilities typically found at the operational level of a company? *(p. 29)*

Develop core business activities required to run the day-to-day operations
Control core business activities required to run the day-to-day operations
Maintain core business activities required to run the day-to-day operations
All of the above

At the operational structure level, employees develop, control, and maintain core business activities required to run the day-to-day operations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Data collection, solution generation, and solution implementation are all concepts associated which of the following processes? *(p. 29)*

The six-step problem solving process
The six-step decision making process
The four-step problem solving process
The four-step decision making process

The six-step decision making process is 1) problem identification, 2) data collection, 3) solution generation, 4) solution test, 5) solution selection, and 6) solution implementation.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Review the below key terms. Which one defines an operational decision that involves situations where established processes offer potential solutions? *(p. 29)*

Optimization analysis decision
Artificial intelligence decision
Structured decision
Unstructured decision

A structured decision involve situations where established processes offer potential solutions.

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Review the below statements. Which one does not represent an example of a structured *(p. 29)* decision?

Reordering inventory
Deciding to enter a new market
Creating the employee weekly staffing schedule
Creating the employee weekly production schedule

Structured decisions are made frequently and are almost repetitive in nature; they affect short-term business strategies. Reordering inventory and creating the employee staffing and weekly production schedules are examples of routine structured decisions, where entering a new market is a type of unstructured decision.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Which of the below is not considered a part of decision making at the managerial level?
(p. 30)

Developing overall business goals and objectives
Creating a short-term budget Allocating resources to a department Monitoring performance of a project team

At the managerial level, employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change. Managerial decisions cover short-and medium-range, plans, schedules, and budgets along with policies and procedures, and business objectives for the firm.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

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Which of the below key terms represents the types of decisions made at the operational, managerial, and strategic levels of a company? *(p. 30)*

Structured decisions
Unstructured decisions
Semistructured decisions
All of the above

The three types of decisions made at the operational, managerial, and strategic levels are 1) structured decisions, 2) unstructured decisions, and 3) semistructured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

At which level do managers develop the overall business strategies and monitor the performance of the organization and the competitive business environment? *(p. 30)*

Operational
Strategic
Managerial
Communications

The strategic level, managers develop overall business strategies, goals, and objectives as part of the company's strategic plan. They also monitor the performance of the organization and its overall direction in the political, economic, and competitive business environment.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

2-78
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Jenny Welch works at a retail store selling sports equipment. Her daily tasks include opening *(p. 30)* the store, creating the work schedules, processing payroll, overseeing sales and inventory, and training employees. At what level of the organizational pyramid would you categorize Jenny?

Managerial
Operational
Strategic
Owner

Managerial level duties include evaluating operations to hone the firm's abilities to identify, adapt to, and leverage change. They also cover schedules, budgets, policies, procedures, and business objectives.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Andy Benton works at the local Starbucks coffee shop and his responsibilities include taking *(p. 29)* orders, fulfilling orders, and ringing in sales. At what level of the organizational pyramid would you categorize Andy?

Strategic
Owner
Operational
Managerial

At the operational level, employees develop, control, and maintain core business activities to run the day-to-day operations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

2-79
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Bill Schultz works at a high power investment firm in Los Angeles. Bill is responsible for promoting the firm's vision and creating the company-wide goals and strategies. He also monitors the overall strategic performance of the company and its direction for future business strategies. At what level of the organizational pyramid would you categorize Bill? *(p. 30)*

Strategic
Owner
Operational
Managerial

At the strategic level, managers develop overall business strategies, goals, and objectives. They also monitor the strategic performance of the organization and its overall direction.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Chuck Biggs has been hired to oversee all of the plans that the city of Denver has created to expand its train transportation system by adding six more lines to the metro area. Chuck will be responsible for planning the project, managing the processes, and finalizing each new line as it is completed. How would you categorize the majority of the decisions Chuck will have to make to complete his job? *(p. 30)*

Unstructured decisions
Semistructured decisions
Structured decisions
Strategic decisions

Chuck will be faced with many semistructured decisions as he manages the transportation system expansion.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

What is the science of fact-based decision making?
(p. 28)

Analytics
Structured decisions
Unstructured decisions
Semistructured decisions

Analytics is the science of fact-based decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

What occurs in situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision.
(p. 30)

Analytics
Structured decisions
Unstructured decisions
Semistructured decisions

Semistructured decisions occur in situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision?

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

What occurs in situations in which no procedures or rules exist to guide decision makers toward the correct choice?
(p. 30)

Analytics
Structured decisions
Unstructured decisions
Semistructured decisions

Unstructured decisions occur in situations in which no procedures or rules exist to guide decision makers toward the correct choice.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

What arises in situations where established processes offer potential solutions?
(p. 29)

Analytics
Structured decisions
Unstructured decisions
Semistructured decisions

Structured decisions arise in situations where established processes offer potential solutions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

The structure of an organization is similar to a pyramid. The different levels require different types of information to assist with which of the following?
(p. 29)

Decision making
Problem solving
Opportunity capturing
All of the above

The structure of an organization is similar to a pyramid. The different levels require different types of information to assist with decision making, problem solving, and opportunity capturing.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

At which level will a manager use analytics to make decisions?
(p. 28)

Operational level
Managerial level
Strategic level
All of the above

Analytics are used at every level of an organization to make decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

At which level of an organization do employees develop, control, and maintain core business activities required to run the day-to-day operations?
(p. 29)

Operational level
Managerial level
Strategic level
All of the above

At the operational level of an organization do employees develop, control, and maintain core business activities required to run the day-to-day operations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

At which level of an organization are employees continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change.
(p. 30)

Operational level
Managerial level
Strategic level
All of the above

At the managerial level of an organization are employees continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change?

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

(p. 30) At which level of an organization do managers develop overall business strategies, goals, and objectives as part of the company's strategic plan?

Operational level
Managerial level
Strategic level
All of the above

At the strategic level managers develop overall business strategies, goals, and objectives as part of the company's strategic plan.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

(p. 32) CSF's and KPI's are two core metrics used to evaluate results and measure the progress of a project for a business. Which of the below represents the acronyms for CSF and KPI?

Continual success factors and key performance indicators
Critical success factors and key project ideas Customer success findings and key project ideas Critical success factors and key performance indicators

CSF's and KPI's are terms used when evaluating metrics or measuring a company's success. These both stand for Critical success factors (CSF's) and key performance indicators (KPI's).

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation

What are measurements that evaluate results to determine whether a project is meeting its goals?
(p. 32)

Models Metrics
Benchmarks
Genetic algorithms

Metrics are measurements that evaluate results to determine whether a project is meeting its goals.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

What are the crucial steps companies perform to achieve their goals and objectives and implement their strategies?
(p. 32)

Critical success factors
Crucial success factors
Key performance indicators
Key performance factors

Critical success factors are the crucial steps companies perform to achieve their goals and objectives and implement their strategies.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Which of the below is an example of a critical success factor?
(p. 32)

Increase customer satisfaction
Number of new customers
Number of new products
Percentage of employee turnover

CSF's include 1) create high-quality products, 2) retain competitive advantages, 3) reduce product costs, 4) increase customer satisfaction, and 5) hire and retain the best business professionals.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Which of the below statements is accurate?
(p. 32)

Key performance indicators can have no more than four critical success factors
Critical success factors can have no more than four key performance indicators
Key performance indicators can have several critical success factors
Critical success factors can have several key performance indicators

One CSF can have several KPIs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Key performance indicators are the metrics a company uses to evaluate progress toward
(p. 32) critical success factors. Which of the below represents a key performance indicator?

Create high-quality products
Reduce product costs
Percentage of help desk calls answered in the first minute
Hire the best business professionals

Examples of KPI's are 1) turnover rates of employees, 2) percentage of help desk calls answered in the first minute, 3) number of product returns, 4) number of new customers, and 5) average customer spending.

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

CSF's and KPI's are the two core metrics used within a business to track progress or success. *(p. 32)* What is the relationship between CSFs and KPIs?

CSF's are business strategy elements where KPI's measure the progress of the CSF's
CSF's build the business environment where KPI's explain how to build the CSF's
KPI's are used first where CSF's are applied after
KPI's promote employees on their performance where CSF's demote employees based on their performance level

The relationship between CSF's and KPI's is critical for a business. Critical success factors (CSF's) are elements crucial for a business strategy's success, where key performance indicators (KPI's) measure the progress of the CSF's.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Market share measures a firm's external performance relative to that of its competitors. Which *(p. 32)* of the following represents how a firm measures market share?

Multiplying the firm's sales by the industries total sales
Dividing the firm's sales by the total market sales for the entire industry
Subtracting your competitors sales from your total sales
Subtracting the industries total sales from the firm's total sales

To calculate market share you divide the firm's sales by the total market sales for the entire industry.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

(p. 32) Anne-Marie Cole runs the sales division for a local auto insurance firm. One of her key duties is to calculate her company's market share. When evaluating the prior year numbers, she found that her firm achieved total sales of $3 million and the entire industry had $30 million in sales. What is Anne-Marie's current market share?

1%
10%
18%
20%

Market share is the proportion of the market that a firm captures. It is calculated by dividing the firm's sales by the total market sales for the entire industry. 3 million divided by 30 million is 10 percent.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

(p. 32) Anne-Marie Cole runs the sales division for a local auto insurance firm. One of her key duties is to ensure the company has 10 percent market share by the end of the year. When evaluating the current sales numbers she determines that her sales division has total sales of $3 million and the entire industry has total sales of $50 million. What additional sales must Anne-Marie's division meet to ensure they have 10 percent of the market by the end of the year?

$1 million
$2 million
$5 million
$10 million

Market share is the proportion of the market that a firm captures. It is calculated by dividing the firm's sales by the total market sales for the entire industry. 10 percent of $50 million is $5 million. Since Anne-Marie already has $3 million she needs an additional $2 million in sales.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

What type of measurement is using market share as a KPI?
(p. 32)

Fuzzy logic measurement
External measurement
Neural network measurement
Internal measurement

A common external KPI is market share.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Which of the below represents an internal KPI that indicates the earning power of a project?
(p. 32)

Market share
Return on intelligent
Sensitivity analysis
Return on investment

An internal KPI which indicates the earning power of a project is return on investment or ROI.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Todd Haitz is the marketing manager for the National Basketball Association. Todd analyzes and tracks his marketing campaigns to determine the best success rate per project for increasing ticket sales. Todd uses an internal KPI to track his marketing campaign success. Which of the below would be an internal KPI Todd would use to track his marketing campaigns?
(p. 32)

Marketing campaign ROI
Marketing campaign percentage of fans purchasing Sports Illustrated magazine
Marketing campaign advertiser revenue sales
Marketing campaign market share

Todd would use ROI as an internal KPI.

AACSB: Reflective Thinking

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Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

What could a manager use to measure the success of an MIS project?
(p. 32)

Effectiveness MIS metrics, efficiency MIS metrics
Effectiveness MIS metrics, expert MIS metrics
Expert MIS metrics, executive MIS metrics
All of the above

MIS projects can be difficult to measure, so therefore, managers utilize the higher-level metrics such as efficiency and effectiveness metrics.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

What type of metrics measure throughput, transaction speed, and system availability?
(p. 33)

Efficiency MIS metrics
Effectiveness MIS metrics
ROI
Benchmarks

Efficiency MIS metrics measure throughput, speed, and availability.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

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What types of metrics measure customer satisfaction?
(p. 33)

Efficiency MIS metrics
Effectiveness MIS metrics
Both efficiency and effectiveness MIS metrics
Both ROI and market share

Effectiveness MIS metrics measure customer satisfaction.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

According to Peter Drucker, what are managers who do things right addressing?
(p. 33)

Efficiency
Effectiveness
Both efficiency and effectiveness
Customer satisfaction only

"Doing things right" addresses efficiency.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

According to Peter Drucker, what are managers who do the right things addressing?
(p. 33)

Efficiency
Effectiveness
Both efficiency and effectiveness
Customer satisfaction only

"Doing the right things" addresses effectiveness.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.

Which of the following is a type of effectiveness MIS metric?
(p. 34)

Transaction speed
System availability
Usability
Throughput

Usability is an effectiveness MIS metric.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Which of the following is a type of efficiency MIS metric?
(p. 34)

Customer satisfaction
Conversion rates
Financial transactions
Web traffic

Web traffic is an efficiency MIS metric.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Which term is used to describe the ease with which people perform transactions and/or find information?
(p. 34)

Usability
Customer satisfaction
Financial
Conversion rates

This is the definition of usability.

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

Difficulty: 1 Easy

Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

What is measured by such benchmarks as satisfaction surveys, percentage of existing customers retained, and increases in revenue dollars per customer?
(p. 34)

Usability
Customer satisfaction
Financial
Conversion rates

This is the definition of customer satisfaction.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

What would a company like eBay or Amazon be constantly benchmarking?
(p. 34)

MIS efficiency
MIS effectiveness
MIS efficiency and MIS effectiveness
Usability metrics only

eBay and Amazon depend on their MIS systems for business and constantly monitor and measures both efficiency and effectiveness MIS metrics to ensure success.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

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When considering the graph depicting the interrelationships between efficiency and effectiveness, where does an organization ideally want to operate?
(p. 34-35)

Upper right-hand corner
Lower right-hand corner
Upper left-hand corner
Lower left-hand corner

The upper right-hand corner is the ideal place for an organization to operate.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Which of the following would efficiency MIS metrics measure?
(p. 34)

Response time
System availability
Transaction speed
All of the above

Common types of Efficiency metrics are 1) throughput, 2) transaction speed, 3) system availability, 4) information accuracy, and 5) response time.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Which of the following are the four common types of effectiveness MIS metrics?
(p. 34)

Unstructured decisions, customer satisfaction, conversion rates, financial
Usability, customer service, conversion rates, fiscal year revenue
Usability, customer satisfaction, conversion rates, financial
Usability, customer satisfaction, conversion rates, affordability

When analyzing the Efficiency and Effectiveness Metrics chart, the four examples of common types of Effectiveness metrics are 1) usability, 2) customer satisfaction, 3) conversion rates, and 4) financial.

AACSB: Reflective Thinking
AACSB: Technology

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Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Drew Savage is an MIS manager for an international consulting firm. Drew travels to different European countries where he implements news response tracking systems. Some of the metrics he uses to track the performance of his system include tracking the response time it takes to respond to Twitter posts mentioning the news station, as well as the speed and accuracy of content posted on numerous websites and social media sites. What type of metrics is Drew using to measure his system?

(p. 34)

Customer satisfaction metrics
Efficiency metrics
Effectiveness metrics
Benchmarking metrics

Efficiency metrics include 1) throughput, 2) transaction speed, 3) system availability, 4) information accuracy, and 5) response time.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Efficiency MIS metrics focus on the extent to which a firm is using its resources in an optimal way, while effectiveness MIS metrics focus on _____.

(p. 33)

Understanding how successful a firm is at achieving its goals and objectives
Analyzing if a firm is doing the right things
Setting the right goals and ensuring they are accomplished
All of the above

Efficiency MIS metrics focus on the extent to which a firm is using its resources in an optimal way, doing things right, and getting the most from each resource. Effectiveness MIS metrics focus on how well a firm is achieving its goals and objectives, doing the right things, setting the right goals and objectives and ensuring they are accomplished.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Which of the below describes the efficiency MIS metric of throughput?
(p. 34)

The number of hours a system is available for users
The time it takes to respond to user interactions such as a mouse click
The amount of information that can travel through a system at any point in time
The ease with which people perform transactions and/or find information

Within the Efficiency Metrics, the type throughput is the amount of information that can travel through a system at any point in time.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Which of the following tracks the number of customers an organization touches for the first time and persuades to purchase its products or services?
(p. 34)

Customer satisfaction
Usability
Conversion rates
Financial

The effectiveness metrics that tracks the number of customers an organization touches for the first time and persuades to purchase its products or services is conversion rates.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

What does usability effectiveness MIS metrics measure?
(p. 34)

The ease with which people perform transactions and find information
The number of customers an organization "touches" for the first time and persuades to purchase its products or services
The amount of time a system takes to perform a transaction
The number of hours a system is available for users

The usability effectiveness metrics measures the ease with which people perform transactions and find information.

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

A common mistake that many managers tend to make is focusing on only one type of metrics *(p. 34)* because they are easier to measure. Which type of metrics do they focus on?

Effectiveness MIS metrics
Efficiency MIS metrics
Endurance MIS metrics
Product sales metrics

A common mistake that many managers tend to make is focusing on efficiency MIS metrics because they are easier to measure.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

When analyzing the interrelationships between efficiency and effectiveness, where would a *(p. 34)* company ideally wants to operate?

With high efficiency
The upper right-hand corner of the interrelationship graph
With high effectiveness
All of the above

When analyzing the interrelationships between efficiency and effectiveness, a company ideally wants to operate in the upper right-hand corner of the interrelationship graph where they see significant increases in efficiency and effectiveness metrics.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

What is the process of continuously measuring system results, comparing those results to optimal system performance, and identifying steps and procedures to improve system performance? *(p. 35)*

Benchmarking
Bottlenecking
Consolidation
Cycle time

The process of continuously measuring system results, comparing those results to optimal system performance, and identifying steps and procedures to improve system performance is benchmarking.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

Which of the below is not included as part of a benchmark? *(p. 35)*

Benchmarks help assess how an MIS project performs over time
When measured against MIS projects, benchmarks can provide feedback so managers can control the system
Benchmarks help to establish baseline values the system seeks to attain
Benchmarks perform all of the above

The role of benchmarks within a company include 1) to help assess how an MIS project performs over time, 2) when measured against MIS projects, can provide feedback so managers can control the system, and 3) to establish baseline values the system seeks to attain.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

As a manager for your company some of your responsibilities include measuring metrics and overseeing company strategies. You observe some critical success factors and see large increases in productivity. What would you suspect would be the primary reason for the large increases in productivity?

(p. 33)

Decreases in effectiveness
Increases in effectiveness
Increases in executive roles
Decreases in efficiency

Large increases in productivity typically result from increases in effectiveness, which focus on critical success factors.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

What are the most successful solutions or problem-solving methods that have been developed by a specific organization or industry?

(p. 32-33)

ROI
Metrics
Best practices
KPI

Best practices are the most successful solutions or problem-solving methods that have been developed by a specific organization or industry.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

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What indicates the earning power of a project?
(p. 32)

ROI
Metrics
Best practices
KPI

ROI indicates the earning power of a project.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

What are measurements that evaluate results to determine whether a project is meeting its goals?
(p. 32)

ROI
Metrics
Best practices
KPI

Metrics are measurements that evaluate results to determine whether a project is meeting its goals.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

What are the crucial steps companies perform to achieve their goals and objectives and implement their strategies?
(p. 32)

ROI
CSF
KPI
None of the above

Critical success factors are the crucial steps companies perform to achieve their goals and objectives and implement their strategies.

AACSB: Reflective Thinking
AACSB: Technology

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Blooms: Analyze
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

What are the quantifiable metrics a company uses to evaluate progress toward critical success factors? *(p. 32)*

ROI
CSF
KPI
None of the above

Key performance indicators are the quantifiable metrics a company uses to evaluate progress toward critical success factors.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects. Topic: Metrics: Measuring Success

Which of the following represents the top-down (executives to analysts) organizational levels of information technology systems? *(p. 36)*

TPS, DSS, EIS
DSS, TPS, EIS
EIS, DSS, TPS
None of the above, it varies from organization to organization

Executive information systems, decision support systems, and transaction processing systems is the top-down organizational levels of information technology systems.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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Which of the following is an incorrect enterprise view of information technology?
(p. 36)

Processes are analytical for executives and transactional for analysts
Granularity is coarse for executives and fine for analysts
Processing is OLTP for executives and OLAP for analysts
None of the above

Processing is OLAP for executives and OLTP for analysts.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What can a model accomplish?
(p. 36)

Calculate risks
Understand uncertainty
Manipulate time
All of the above

A model can do all of the above.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is consolidation?
(p. 40)

Involves the aggregation of information and features simple roll-ups to complex groupings of interrelated information
The ability to look at information from different perspectives
Enables users to get details, and details of details, of information
Finds the inputs necessary to achieve a goal such as a desired level of output

This is the definition of consolidation.

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

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Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic

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support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is drill-down capability?
(p. 40)

Involves the aggregation of information and features simple roll-ups to complex groupings of interrelated information
The ability to look at information from different perspectives
Enables users to get details, and details of details, of information
Finds the inputs necessary to achieve a goal such as a desired level of output

This is the definition of drill-down.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is slice-and-dice capability?
(p. 40)

Involves the aggregation of information and features simple roll-ups to complex groupings of interrelated information
The ability to look at information from different perspectives
Enables users to get details, and details of details, of information
Finds the inputs necessary to achieve a goal such as a desired level of output

This is the definition of slice-and-dice.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What compiles information from multiple sources and tailors it to meet user needs?
(p. 39)

Drill-down
Sensitivity analysis
What-if analysis
Digital dashboard

This is the definition of digital dashboards.

AACSB: Reflective Thinking

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Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What captures transaction and event information using technology to (1) process the information according to defined business rules, (2) store the information, and (3) update existing information to reflect the new information? *(p. 36)*

OLTP
OLAP
TPS
DSS

OLTP captures transaction and event information using technology to (1) process the information according to defined business rules, (2) store the information, and (3) update existing information to reflect the new information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is the basic business system that serves the operational level and assists in making structured decisions? *(p. 36)*

OLTP
OLAP
TPS
DSS

A TPS is the basic business system that serves the operational level and assists in making structured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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What encompasses all organizational information and its primary purpose is to support the performance of managerial analysis or semistructured decisions. *(p. 36)*

OLTP
OLAP
Analytical information
Transactional information

Analytical information encompasses all organizational information and its primary purpose is to support the performance of managerial analysis or semistructured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What encompasses all the information contained within a single business process or unit of work and its primary purpose is to support the performance of daily operational or structured decisions. *(p. 36)*

OLTP
OLAP
Analytical information
Transactional information

Transactional information encompasses all the information contained within a single business process or unit of work and its primary purpose is to support the performance of daily operational or structured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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What is the manipulation of information to create business intelligence in support of strategic decision making?
(p. 36)

OLTP
OLAP
TPS
DSS

OLAP is the manipulation of information to create business intelligence in support of strategic decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What models information and provides assistance in evaluating and choosing among different courses of action?
(p. 37)

OLTP
OLAP
TPS
DSS

A DSS models information and provides assistance in evaluating and choosing among different courses of action.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What refers to the level of detail in the model or the decision-making process?
(p. 38)

Granularity
Visualization
Digital Dashboard
All of the above

Granularity refers to the level of detail in the model or the decision-making process.

AACSB: Reflective Thinking
AACSB: Technology

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Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

(p. 39) What produces graphical displays of patterns and complex relationships in large amounts of data?

Granularity
Visualization
Digital Dashboard
All of the above

Visualization produces graphical displays of patterns and complex relationships in large amounts of data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

(p. 39) What tracks KPIs and CSFs by compiling information from multiple sources and tailoring it to meet user needs?

Granularity
Visualization
Digital Dashboard
All of the above

Digital Dashboards track KPIs and CSFs by compiling information from multiple sources and tailoring it to meet user needs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is considered an input in the systems thinking example of a TPS?
(p. 36)

CRUD
Calculate
Report
Source Document

A source document in the input in the systems thinking examples of a TPS.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is considered part of the process in the systems thinking example of a TPS?
(p. 37)

Source Document
Calculate
Report
All of the above

Calculate is the process in the systems thinking examples of a TPS.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is considered the output in the systems thinking example of a TPS?
(p. 37)

CRUD
Calculate
Report
Source Document

A report is the output in the systems thinking examples of a TPS.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic

support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is considered the input in the systems thinking example of a DSS?
(p. 38)

TPS What-If
Optimization
Forecasts

A TPS is the input in the systems thinking example of a DSS.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is considered the process in the systems thinking example of a DSS?
(p. 38)

TPS
Optimization
Forecasts
Simulation

Optimization is the process in the systems thinking examples of a DSS.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is considered the output in the systems thinking example of a DSS?
(p. 38)

TPS
Optimization
Goal Seeking
Forecasts

A forecast is the output in the systems thinking examples of a DSS.

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

Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is correct in terms of granularity?
(p. 38)

Refers to the level of detail in the model
The greater the granularity the deeper the level of detail of the data
The greater the granularity the deeper the level of fineness of the data
All of the above

All of the above are correct in terms of granularity.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the following is a potential feature of a digital dashboard?
(p. 39)

A hot list of KPIs refreshed every 15 minutes
A running line graph of planned versus actual production for the past 24 hours
A graph of stock market prices
All of the above

All of the above are potential features of a digital dashboard.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is a simplified representation or abstraction of reality?
(p. 36)

Model Metric
Redundancy
Sensitivity Analysis

A simplified representation or abstraction of reality is/a model.

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

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Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What can a manager use a model to do?
(p. 36)

Calculate risk Change variables Understand uncertainty All of the above

Models help managers calculate risks, understand uncertainty, change variables, and manipulate time to make decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What would managers use to make structured decisions at the operational level?
(p. 36)

Transactional information
Analytical information
An EIS system
Intelligent system

Transactional information is the basic business system that serves the operational level (analysts) and assists in making structured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below would create transactional information?
(p. 36)

Projecting future sales growth
Making an airline reservation
A semistructured decision to hire more employees
Generating payroll reports

Transactional information is created, for example, when customers are purchasing stocks, making an airline reservation, or withdrawing cash from an ATM.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What are the three primary types of management information systems available to support decision making across the company levels?
(p. 36)

Transaction Processing Systems, Decision Support Systems, Executive Information Systems
Analytical Information, Decision Support Systems, Executive Information Systems
Transaction Processing Systems, Drill-Down Systems, Expert Systems
What-If Analysis, Sensitivity Analysis, Goal-Seeking Analysis

The three primary types of management information systems available to support decision making across the company levels are 1) transaction processing systems, 2) decision support systems, and 3) executive information systems.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

A transaction processing system (TPS) is the basic business system that assists operational level analysts when making structured decisions. Which of the below is not an example of a TPS? *(p. 36)*

Target's internal company payroll system
Comfort Dental patient diagnosis system
First Bank's overall accounting system
Stewart Sport's order entry system

A transaction processing system (TPS) is the basic business system that assist operational level analysts make structured decisions. The most common examples of a TPS include 1) a company payroll system, 2) an operational accounting system, and 3) an order entry system. Example B is an example of a DSS or decision support system.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is the flow that a systems thinking approach using a TPS would follow? *(p. 36)*

Streamlining (Input) - CRUD, Calculate (Process) - Reports (Output)
Source Documents (Input) - Optimization Analysis (Process) - (Feedback) - (Output)
Source Documents (Input) - CRUD, Calculate (Process) - Reports (Output) - (Feedback)
Selling Documents (Input) - Cycle Time (Process) - Reports (Output) - (Feedback)

A transaction processing system or TPS is the basic business system that assist operational level analysts make structured decisions. An example of the process of a systems thinking utilizing a TPS follows this flow is 1) source documents (Input), 2) CRUD, calculate, summarize (Process), 3) reports (Output), and 4) feedback.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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Online transaction processing (OLTP) is the capturing of transaction and event information using technology to _____.
(p. 36)

Update existing information to reflect the new information
Store the information
Process the information according to defined business rules
All of the above

Online transaction processing (OLTP) is the capture of transaction and event information using technology to 1) update existing information to reflect the new information, 2) store the information, and 3) process the information according to defined business rules.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below does not represent an example of analytical information?
(p. 36)

Trends and product statistics
Unstructured long-term decisions
Five year sales report
Future growth projections

Examples of analytical information are trends, sales, product statistics, and future growth projections. Managers use analytical information when making important semistructured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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Decision support systems or DSS's model information using OLAP, which provides assistance in evaluating and choosing among different courses of action. Which of the below does not represent an example of a DSS in business? *(p. 36-*

An insurance company using a system to gauge risk of providing insurance to drivers who have imperfect driving records.

A medical doctor may enter symptoms into a system to aid them in diagnosing and treating patients.

A manufacturing digital dashboard showing visualizations of inventory and production.

A dentist entering symptoms into a system to help diagnose and treat patients.

Decision support systems or DSS's model information using OLAP, which provides assistance in evaluating and choosing among different courses of action. Examples include A) an Insurance company using DSSs to gauge risk of providing insurance to drivers who have imperfect driving records, and B and D) a medical doctor may enter symptoms into a DSS to aid them in diagnosing and treating patients.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is the MIS system that manipulates information to create business intelligence in support of strategic decision making? *(p. 36)*

Online transaction processing (OLTP)
Online analytical processing (OLAP)
Digital dashboard
Visualization

Online analytical processing (OLAP) is the manipulation of information to create business intelligence in support of strategic decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

When viewing systems thinking, source documents are the original transaction records. What would the source documents for a medical doctor's payroll system include? *(p. 36)*

Employee time sheets
Employee benefit reports
Employee wage rates
All of the above

When viewing systems thinking, source documents are the original transaction records. Source documents for a medical doctor's payroll system, for example, would include 1) employee time sheets, 2) employee benefit reports, and 3) wage rates.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below represent the four main DSS analysis techniques outlined in the chapter? *(p. 37)*

What-If Analysis, Sensitivity Analysis, Goal-Seeking Analysis, Optimization Analysis
Workflow Analysis, Sensitivity Analysis, Growth Analysis, Organizational Analysis
What-If Analysis, Structured Analysis, Goal-Seeking Analysis, Optimization Analysis
What-If Analysis, Sensitivity Analysis, Growth Analysis, Organizational Analysis

The four main DSS analysis techniques outlined in the chapter are 1) what-if analysis, 2) sensitivity analysis, 3) goal-seeking analysis, and 4) optimization analysis.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Tom Repicci is a manager for a McDonald's restaurant. Many of his key responsibilities *(p. 37)* include analyzing data and making key decisions for the success of his store. Tom's store has been experiencing decreased sales for breakfast services over the past 3 months. Tom is unsure why breakfast revenues are down while lunch and dinner revenues remain unchanged. Tom believes that he can drive revenue up by implementing a few different breakfast promotions such as free coffee or hash browns with the purchase of a meal. Tom performs an extensive analysis of how continuous changes in breakfast promotions could impact his daily revenue. What type of DSS analysis is Tom performing?

Optimization analysis
Sensitivity analysis
Transaction analysis
Goal-seeking analysis

Sensitivity analysis is a special case of what-if analysis, is the study of the impact on other variables when one variable is changed repeatedly. For example, changing revenue in small increments to determine its effects on other variables would help a manager understand the impact of various revenue levels on other decision factors.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is the DSS analysis that checks the impact of a change in a variable or assumption on *(p. 37)* the model?

Optimization analysis
Goal-seeking analysis
Sensitivity analysis
What-if analysis

A What-If analysis checks the impact of a change in a variable or assumption on the model.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

(p. 36) Online transaction processing (OLTP) and online analytical processing (OLAP) are similar MIS strategies used to help with business decision making. What is the primary difference between OLTP and OLAP?

OLTP is used at the operational level; OLAP is used at the managerial level
OLTP is used to capture transactional and event data; OLAP is used to manipulate information
OLTP is used to support structured decisions; OLAP is used to support semistructured decisions
All of the above

Online transaction processing (OLTP) is the capturing of transaction and event information using technology to (1) process the information according to defined business rules, (2) store the information, and (3) update existing information to reflect the new information. It is used at the operational level and to support structured decisions. Online analytical processing (OLAP) is the manipulation of information to create business intelligence in support of strategic decision making. It is used at the managerial level and to support semistructured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

(p. 37) An optimization analysis finds the optimum value for a target variable by repeatedly changing other variables, subject to specified constraints. What can a manager determine by changing revenue and cost variables in an optimization analysis?

Calculate the highest potential profits
Calculate employee benefit payments
Use this as an extension for a digital dashboard
Create production schedules

An optimization analysis finds the optimum value for a target variable by repeatedly changing other variables, subject to specified constraints. By changing revenue and cost variables in an optimization analysis, managers can calculate the highest potential profits.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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What is the analysis that works in reverse to what-if and sensitivity analysis by finding the inputs necessary to achieve a goal such as a desired level of output? *(p. 37)*

Solutions based analysis
Optimization system
Goal-seeking analysis
Revenue analysis

A goal-seeking analysis works in reverse to what-if and sensitivity analysis, and finds the inputs necessary to achieve a goal such as a desired level of output.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Decision making at the executive or strategic level require business intelligence and knowledge to support the uncertainty and complexity of the business. What is a specialized DSS that supports senior-level executives and unstructured decisions requiring judgment, evaluation, and insight? *(p. 37-*

OLTP
Executive Information System (EIS)
Transaction Support System (TSS)
Decision Support System (DSS)

An EIS or an Executive information system is a specialized DSS that supports senior-level executives and unstructured, long-term, nonroutine decisions requiring judgment, evaluation, and insight.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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Executives of a company deal less with details of the operational activities and deal more with the higher meaningful aggregations of information or "coarser" information. What refers to the level of detail in the model?
(p. 38)

Drill-down
Visualization
Granularity
Consolidation

Granularity refers to the level of detail in the model or the decision-making process.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

How does a DSS typically differ from an EIS?
(p. 38)

EIS requires data from external sources to support unstructured decisions where a DSS typically use internal sources to support semistructured decisions
DSS typically use external sources and EIS use internal sources to support decisions
A DSS never use external sources
EIS always use internal sources to support structured decisions

A DSS (decision support system) differs from an EIS (executive information system) primarily because EIS require data from external sources to support unstructured decisions where a DSS typically uses internal sources to support semistructured decisions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

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What is a graphical display of patterns and complex relationships in large amounts of data?
(p. 39)

Visualization
Model
Table
Digital spreadsheet

Visualizations produce graphical displays of patterns and complex relationships in large amounts of data.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is a common tool that is used to support visualizations and tracks KPIs and CSFs by compiling information from multiple sources?
(p. 39)

Models
Digital dashboards
Neural networks
Verified graphs

Digital dashboards track KPIs and CSFs by compiling information from multiple sources and tailoring it to meet user needs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below is offered by a digital dashboard?
(p. 40)

Consolidation
Drill-down
Slice-and-Dice
All of the above

Digital dashboards offer 1) consolidation, 2) drill-down, and 3) slice-and-dice capabilities.

AACSB: Reflective Thinking

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AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember

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Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Which of the below would not be found in a digital dashboard for a manufacturing team? *(p. 39)*

A graph of stock market prices
A running line graph of planned versus actual production for the past 24 hours
An excel spreadsheet with cost analysis data
A hot list of key performance indicators, refreshed every 15 minutes

Examples of potential features included in a dashboard designed for a manufacturing team include 1) a hot list of key performance indicators, refreshed every 15 minutes, 2) a running line graph of planned versus actual production for the past 24 hours, 3) a table showing actual versus forecasted product prices and inventories, 4) a list of outstanding alerts and their resolution status, and 5) a graph of stock market prices.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

As the product manager for the eatery division at Whole Foods, Jerry is responsible for *(p. 40)* analyzing sales data to help him manage his team. Today Jerry is analyzing his data using many different perspectives to identify different ways to improve his division. Which of the following common digital dashboard capabilities is Jerry using to analyze his department's success?

Slice-and-Dice
Competitive tables
Drill-down
Consolidation

Slice-and-dice is the ability to look at information from different perspectives.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

As the product manager for the eatery division at Whole Foods, Jerry is responsible for analyzing sales data to help him manage his team. Today Jerry is analyzing his data using aggregation techniques allowing him to see simple roll-ups to complex groupings of interrelated information. Which of the following common digital dashboard capabilities is Jerry using to analyze his departments success? *(p. 40)*

Slice-and-Dice
Competitive tables
Drill-down
Consolidation

Consolidation is the aggregation of data from simple roll-ups to complex groupings of interrelated information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

As the product manager for the eatery division at Whole Foods, Jerry is responsible for analyzing sales data to help him manage his team. Today Jerry is analyzing his data by looking at details, and details of details of information. Which of the following common digital dashboard capabilities is Jerry using to analyze his departments success? *(p. 40)*

Slice-and-Dice
Competitive tables
Drill-down
Consolidation

Drill-down enables users to view details, and details of details, of information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Van Lines Inc. is a large corporation operating in all 50 states. Jim Poulos is the regional manager overseeing the western division, which includes Utah, Colorado, Idaho, Montana, Wyoming, and Nevada. Jim receives data from his managers in each state which he loads into his digital dashboard for analysis of his entire western division. What digital dashboard capability is Jim primarily using? *(p. 40)*

Drill-down Slice-and-dice
Intelligent system
Consolidation

Consolidation is the aggregation of data from simple roll-ups to complex groupings of interrelated information. For example, data for different sales regions can then be rolled up to a regional level.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What is a category of AI that attempts to emulate the way the human brain works? *(p. 42)*

Intelligent system
Artificial intelligence
Expert systems
Neural network

This is the definition of neural network.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Which of the following is the most commonly used form of AI in the business arena? *(p. 42)*

Intelligent system
Artificial intelligence
Expert system
Neural network

Expert systems are the most common.

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AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What is a special-purpose knowledge-based information system that accomplishes specific tasks on behalf of its users? *(p. 43)*

Intelligent system
Artificial intelligence
Neural network
Intelligent agent

This is the definition of intelligent agent.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What do cargo transport systems, book distribution centers, the video game market, a flu epidemic, and an ant colony have in common? *(p. 43)*

They are all expert systems and thus share some characteristics
They are all genetic algorithm systems and thus share some characteristics
They are all neural network systems and thus share some characteristics
They are all complex adaptive systems and thus share some characteristics

They are all complex adaptive systems and thus share some characteristics.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

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Which industry has been relying on neural network technology for over two decades?
(p. 42)

Food service
Hotels
Finance
Healthcare

Finance has been relying on neural network technology for over two decades.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Which type of AI system assigns values of 0 and 1 to vague or ambiguous information?
(p. 42)

Genetic algorithms
Artificial intelligence
Fuzzy logic
Intelligent agents

Fuzzy logic systems assign values of 0 and 1 to vague and ambiguous information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Artificial Intelligence stimulates human thinking and behavior, such as the ability to reason and
(p. 41) learn. What is the ultimate goal of AI?

To build an intelligent system
To build an intelligent agent
To build a system that can mimic human intelligence
To build a system that can mimic an expert agent

The ultimate goal of AI is to build a system that can mimic human intelligence.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

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Which of the following is an example of an intelligent system?
(p. 41)

The Firefighter Robot that can extinguish flames at chemical plants
Shell Oil's Smart Pump robot that pumps gas for the customer
A robot that cleans and sweeps at a local airport
All of the above

Intelligent systems are various commercial applications of artificial intelligence. They perform numerous business functions such as 1) performing tasks as boosting productivity in factories by monitoring equipment and signaling when preventative maintenance is required, 2) At Manchester Airport, the robot cleaner alerts passengers to security, nonsmoking areas, and cleans the floors daily, 3) Shell Oil's Smart Pump keeps drivers in their cars, while the robot pumps gas, 4) Matsushita's courier robot navigates hospital hallways, delivering files and supplies, and 5) The firefighter Robot that can extinguish flames at chemical plants.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Which of the below does not represent a category of AI?
(p. 41)

Genetic algorithms
Neural networks
Expert systems
Consolidation

The five most familiar AI systems are 1) expert systems, 2) neural networks, 3) genetic algorithms, 4) intelligent agents, and 5) virtual reality. Consolidation is a category of a digital dashboard.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What is a system that uses computerized advisory programs to imitate the reasoning processes of experts in solving difficult problems? *(p. 41)*

Expert system
Virtual reality
Neural network
Genetic algorithm

A system that uses computerized advisory programs to imitate the reasoning processes of experts in solving difficult problems is an expert system.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Which of the below categories of AI is used extensively in the finance industry to analyze situations where the logic or rules are unknown? *(p. 42)*

Expert system
Virtual reality
Neural network
Genetic algorithm

The finance industry is a veteran in the use of neural networks to emulate the way the human brain works by analyzing large quantities of information to establish patterns and characteristics in situations where the logic or rules are unknown.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

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Which of the following is not a feature of a neural network?
(p. 42)

Neural networks can cope with huge volumes of information with many variables
Neural networks can function without complete or well-structured information
Neural networks can analyze linear relationships only
Neural networks can learn and adjust to new circumstance on their own

Neural networks' many features include 1) learning and adjusting to new circumstances on their own, 2) learning and adjusting to new circumstances on their own, 3) functioning without complete or well-structured information, 4) coping with huge volumes of information with many dependent variables, and 5) analyzing nonlinear relationships in information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What is the mathematical method of handling imprecise or subjective information?
(p. 42)

Fuzzy logic
Virtual reality
Expert system
Genetic algorithm

Mathematical method of handling imprecise or subjective information is fuzzy logic.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Sears department stores used to plant employees in competitor stores to perform research and analysis. Recently the company implemented a system that can search competitor websites and provide comparisons of price, promotions, and availability and the system is saving time, money, and resources. What type of system did Sears implement?
(p. 43)

Shopping algorithm
Shopping network
Shopping logic
Shopping bot

A shopping bot is software that will search several retailer websites and provide a comparison of each retailer's offerings including price and availability.

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

(p. 43) What is the process of learning from ecosystems and adapting their characteristics to human and organization situations?

Data collection
Artificial intelligence
Biomimicry
Intelligent system

Biomimicry is the process of learning from ecosystems and adapting their characteristics to human and organization situations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

(p. 43) Which of the following is a special-purpose knowledge based information system that accomplishes specific tasks on behalf of its users?

Intelligent agent
Executive agent
Expert agent
Modeling system

Intelligent agent is a special-purpose knowledge-based information system that accomplishes specific tasks on behalf of its users.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

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Which of the below offers a disadvantage for working virtually?
(p. 44)

Increases in worker productivity
Increases in feelings of seclusion
Decreases in expenses for the company
Alleviation of congested roadways

The advantages to working virtually are increases in worker productivity, decrease in real estate expenses for the company, and less cars on the roads alleviating the congested roadways. Disadvantages include fear among workers that they will jeopardize their careers by working from home, some workers unable to stay productive, the tendency for virtual workers to feel alone, secluded, and deprived of vital training and mentoring.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What is an optimizing system that can find and evaluate solutions with many more possibilities, faster and more thoroughly than a human?
(p. 43)

Genetic algorithm
Expert system
Intelligent agent
Virtual reality

The Artificial intelligence system that is an optimizing system that can find and evaluate solutions with many more possibilities, faster and more thoroughly than a human is genetic algorithm.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Bob Silver loves playing a game called World of Warcraft where he has the capability to create his own character and even his own life-like environment. Which AI system would you categorize World of Warcraft? *(p. 43)*

Multi-agent system
Expert system
Virtual reality
Fuzzy logic system

Virtual reality a computer-simulated environment that can be a simulation of the real world or an imaginary world. It is a fast growing area of AI that had its origins in efforts to build more natural, realistic, multisensory human computer interfaces.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Which of the following offers an example of an intelligent agent that uses a multi-agent system? *(p. 43)*

A cargo transport system
Book distribution center
A flu epidemic
All of the above

An intelligent agent that utilizes a multi-agent system includes 1) a cargo transport system, 2) book distribution centers, 3) the video game market, 4) and a flu epidemic are all complex adaptive systems.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What types of business decisions would an EIS use AI for?
(p. 41)

Semistructured decisions
Multistructured decisions
Structured decisions
Unstructured decisions

Executive information systems are utilizing artificial intelligence to support unstructured strategic decision making.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Which of the below business ideas is not using AI?
(p. 41)

Best Buy implements a software system that will determine how many customers are needed to increase gross profits to $5 million
McDonald's unveiling a robot that cleans and tidies the restaurant, while also asking guests if it can take their trays to the trash
Starbucks creates a system that works like a hand and lifts and moves the mixing pots for the coffees to and from the coffee machines to the counters
Golf courses create an automated golf cart that can offer swing suggestions, club suggestions, and even navigate the course for the driver

Artificial Intelligence simulates human thinking and behavior such as the ability to reason and learn. Its ultimate goal is to build a system that can mimic human intelligence.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

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What is the viewing of the physical world with computer-generated layers of information added to it? *(p. 44)*

Virtual reality
Augmented reality
Virtual workforce
All of the above

Augmented reality is the viewing of the physical world with computer-generated layers of information added to it.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What is a computer-simulated environment that can be a simulation of the real world or an imaginary world? *(p. 43)*

Virtual reality
Augmented reality
Virtual workforce
All of the above

Virtual reality is a computer-simulated environment that can be a simulation of the real world or an imaginary world.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome. *(p. 43)*

Augmented reality
Mutation
Fuzzy logic
Shopping bot

Mutation is the process within a genetic algorithm of randomly trying combinations and evaluating the success (or failure) of the outcome.

AACSB: Reflective Thinking

Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

What is software that will search several retailer websites and provide a comparison of each retailer's offerings including prices and availability? *(p. 43)*

Augmented reality
Mutation
Fuzzy logic
Shopping bot

A shopping bot is software that will search several retailer websites and provide a comparison of each retailer's offerings including prices and availability.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Which of the below business processes would you find in the marketing and sales division? *(p. 45)*

Ordering inventory
Enrolling employees in health care benefits
Promoting of discounts
Creating financial statements

Samples of business processes for the Marketing and sales division of a company include 1) promoting of discounts, 2) communicating marketing campaigns, 3) attracting customer, and 4) processing sales.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

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Which of the following departments is primarily responsible for promoting discounts, attracting customers, and communicating marketing campaigns? *(p. 45)*

Accounting and Finance
Marketing and Sales
Operations Management
Human Resources

The Marketing & Sales division is responsible for the business processes of promoting of discounts, communicating marketing campaigns, attracting customers, and processing sales.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Which of the following represents a business process you would find in the operations management department? *(p. 45)*

Ordering inventory
Processing sales
Promoting discounts
Paying of accounts payable

Samples of business processes for the operations management division of a company include 1) ordering inventory, 2) creating production schedules, and 3) manufacturing goods.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

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Most business processes are cross-functional or cross-departmental processes that span the entire organization. Which of the below does not represent a cross-functional business process? *(p. 44)*

Order-to-delivery process
Loan processing
Taking a product from concept to market
Processing payroll

Most business processes are cross-functional or cross-department processes that span the entire organization. The process of "order to delivery" focuses on the entire customer order process across functional departments. Another example is "product realization," which includes not only the way a product is developed, but also the way it is marketed and serviced. Other cross-functional business processing are taking a product from concept to market, acquiring customers, loan processing, providing post-sales service, claim processing, and reservation handling.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

The accounting and finance department performs processes such as creating financial statements, paying accounts payables, and collecting accounts receivables. What form of processes do these represent? *(p. 45)*

Customer-facing processes
Business-facing processes
Industry-specific customer facing processes
All of the above

The accounting and finance division in a company creates financial statements, pays the accounts payables, and collects accounts receivables. All of these processes are business-facing processes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

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(p. 46) What form of processes include loan processing for a bank, claims processing for an insurance company, reservation processing for a hotel, and baggage handling for an airline?

Customer-facing processes
Business-facing processes
Industry-specific customer-facing processes
All of the above

Loan processing for a bank, claims processing for an insurance company, reservation processing for a hotel, and baggage handling for an airline are all examples of industry specific customer facing processes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

(p. 46) What type of process includes order processing, customer service processing, sales processing, customer billing processing, and order shipping processing?

Customer-facing processes
Business-facing processes
Industry-specific customer facing processes
All of the above

Order processing, customer service processing, sales processing, customer billing processing, and order shipping processing are all customer-facing processes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

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Which of the below represents business processes you would find in the human resources *(p. 45)* department?

Hiring employees
Enrolling employees in benefit plans
Tracking vacation and sick time
All of the above

Some sample business processes included within the human resources division of a company include 1) hiring employees, 2) enrolling employees in health care or other benefit plans, and 3) tracking vacation and sick time.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

What is the difference between customer-facing processes and business-facing processes? *(p. 44)*

Business-facing processes are front-office processes, customer-facing processes are back-office processes
Customer-facing processes are front-office processes, business-facing processes are back-office processes
Customer-facing processes are back-office processes, and industry-specific customer-facing processes are back-office processes
Customer-facing processes are back-office processes, and industry-specific customer-facing processes are front-office processes

Customer-facing processes, also called front-office processes, result in product service received by and organization's external customer. Business-facing processes, also called back-office processes, are invisible to the external customer but essential to the effective management of the business.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

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Which of the below is a customer-facing process?
(p. 44)

Communicating with customers
Strategic goal setting
Providing performance feedback and rewards
Purchasing raw materials

Business-facing processes, also called back-office processes, are invisible to the external customer but essential to the effective management of the business; they include goal setting, day-to-day planning, giving performance feedback and rewards, and allocating resources.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Which of the following represents a business-facing process?
(p. 44)

Loan processing
Order processing
Strategic planning
Customer billing

Customer-facing processes result in a product or service received by an organization's external customer and includes fulfilling orders, communicating with customers, sending out bills, and marketing information.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

When considering the 5-steps of the order-to-delivery business process, creating campaigns and checking inventory are included in which of the following? *(p. 45)*

Step 4 - Sales
Step 1 - Marketing
Step 3 - Operations management
Step 2 - Customer service

When considering the 5-steps of the order-to-delivery business process, Step 1 is marketing where the business creates campaigns and checks inventory.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Which of the following processes focuses on the entire customer order process and operates across functional departments? *(p. 44)*

Order to delivery process
Customer billing process
Customer loan process
All of the above

Most business processes are cross-functional or cross-departmental processes and span the entire organization. The process of "order to delivery" focuses on the entire customer order process across functional departments.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Which of the below processes would be found in the operations management department? *(p. 45)*

Creating production schedules
Communicating marketing campaigns
Hiring employees
Processing sales

Sample business processes within the operational management division of a company include 1) ordering inventory, 2) creating production schedules, and 3) manufacturing goods.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Which of the following should a business follow for success? *(p. 49)*

Technology choices should drive business processes Business processes should drive technology choices Technology choices should drive business strategies and goals All of the above depending on the industry

Business processes should drive technology choices.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

Business process modeling or mapping, is the activity of creating a detailed flowchart or process map of a work process that shows its inputs, tasks, and activities in a _____ sequence. *(p. 45)*

Unstructured
Semi structured
Structured
Unilateral

Business process modeling or mapping, is the activity of creating a detailed flowchart or process map of a work process that shows its inputs, tasks, and activities in a structured sequence.

AACSB: Reflective Thinking
AACSB: Technology

Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

(p. 46) Jessica Ulta works as an employee for City Service Credit Union and is responsible for consulting on loans, talking clients through the loan process, and providing loans to members. What type of processes does Jessica primarily work with?

Business-facing processes
Industry-specific customer facing processes
Customer-facing process
Industry-specific business-facing processes

When considering the business process modeling chart, Jessica is taking part in the industry-specific customer facing processes depicted in the example.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

(p. 46) Sarah Schin was recently hired by Bank West as the Global Director of Human Resources. Her job duties include determining employment policies as well as overseeing all hiring, firing, and training of employees. What type of processes does Sarah's new job demonstrate?

Business-facing processes
Industry-specific customer facing processes
Customer-facing process
Industry-specific business-facing processes

The business-facing processes are 1) strategic planning, 2) tactical planning, 3) budget forecasting, 4) training, and 5) purchasing raw material.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

What is a model that represents the current state of the operation without any specific improvements or changes to existing processes? *(p. 46)*

As-Is process models
To-Be process models
Competitive business process models
Workflow model

The model which represents the current state of the operation that has been mapped, without any specific improvements or changes to existing processes is the As-Is process model.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

What is the business process model that ensures the process is fully and clearly understood before the details of a process solution are decided upon? *(p. 46)*

As-Is process model
Business process reengineering model
Customer facing process
To-Be process model

The To-Be process model approach ensures that the process is fully and clearly understood before the details of a process solution are decided upon.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

What is the difference between the As-Is process model and the To-Be process model?
(p. 46)

The As-Is process model begins with what the process problem is, and the To-Be process model displays how the problem will be solved

The process models are not related

Both process models determine when to solve the problem

The As-Is process model begins with where to implement the solution, and the To-Be process model displays why the problem needs to be fixed

The business process modeling usually begins with a functional process representation. The differences between the two models is that the As-Is process model begins with what the process problem is and the To-Be process model displays how the problem will be solved.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

What is the primary goal of the As-Is process model?
(p. 46)

To outline the process elements for the To-Be process

To create process choices for the As-Is process

To simplify, eliminate, and improve the To-Be process

To analyze the To-Be process elements

The primary goal of the As-Is process model is to simplify, eliminate, and improve the To-Be processes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

The local florist in town is Cheryl Steffan who has been in business for over 20 years.
(p. 46) Recently, Cheryl has noticed several complaints about delivery errors. Cheryl decides to investigate the errors in her business delivery process and finds that most of the inaccuracies occur during order taking. Cheryl decides to implement an electronic ordering system to help improve order efficiency and effectiveness. What method did Cheryl follow to solve her delivery issues?

Modeled the As-Is process, fixed the errors, and then created the To-Be process
Modeled the To-Be process, fixed the errors, and then created the As-Is process
Moved directly to implementing the To-Be process without analyzing the As-Is process
Moved directly to implementing the As-Is process without analyzing the To-Be process

The As-Is process model has the primary goals to simplify, eliminate, and improve the processes by defining the most efficient and effective process.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

What is the primary goal of using As-Is and To-Be process models?
(p. 47)

To determine employee specific errors
To determine measurement metrics
To determine the best way to solve a problem
To determine what the problem is and then how to solve the problem

The primary goals of the As-Is and the To-Be process models is to determine what the problem is and how to solve the problem.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

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Review the below list of key terms and determine which one typically occurs during operational business process improvement. *(p. 49)*

Automation
Streamlining
Reengineering
Improvement

Automation typically occurs during operational business process improvement.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Review the below list of key terms and determine which one typically occurs during managerial business process improvement. *(p. 51)*

Automation
Streamlining
Reengineering
Improvement

Streamlining typically occurs during managerial business process improvement.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Review the below list of key terms and determine which one typically occurs during strategic business process improvement. *(p. 52)*

Automation
Streamlining
Reengineering
Improvement

Reengineering typically occurs during strategic business process improvement.

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

2-147
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Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.

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Topic: Support: Enhancing Business Processes with MIS

Which of the below examples indicates when the time is right to initiate a business process change? *(p. 49)*

The market being served makes a distinctive shift
The company is below industry benchmarks on its core processes
The company strategically passes or leapfrogs the competition on key decisions to regain competitive advantage
All of the above

The three conditions that indicate the time is right to initiate a business process change are 1) there has been a pronounced shift in the market the process was designed to serve, 2) the company is markedly below industry benchmarks on its core processes, and 3) the regain competitive advantage, the company must leapfrog competition on key dimensions.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

What does BPR assume about the current process in the extreme? *(p. 53)*

Current process is irrelevant
Current process is broken
Current process must be overhauled from scratch
All of the above

BPR in the extreme assumes the current process is irrelevant, broken, or overhauled.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

2-149
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Which of the below processes attempt to understand and measure the current process and make improvements? *(p. 50)*

Business process mapping
Business process reengineering
Business process improvement
Business process model

The business process improvement attempts to understand and measure the current process and make performance improvements accordingly.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Transaction processing systems are primarily used to automate business processes. Automation increases efficiency and effectiveness, while reducing head count which in turn reduces the overall operational _____. *(p. 51)*

Costs
Systems
Revenues
Intelligence

Automation increases efficiency and effectiveness, while reducing head count which in turn reduces the overall operational costs.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Several factors can accelerate the need for a company to make business improvement processes. What is the most prevalent factor? *(p. 51)*

Market shifts
Technology
Discoveries
Bottlenecking

Several factors can accelerate the need for a company to make business improvement processes. The most prevalent factor by far is technology.

AACSB: Reflective Thinking

AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

What improves managerial level business processes?
(p. 51)

Performance measures
Bottlenecks
Redundancy
Streamlining

The factor to improving the managerial level business processes is through streamlining, which improves business process efficiencies simplifying or eliminating unnecessary steps.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

What is the point when resources reach full capacity and cannot handle any additional
(p. 51) demands?

Optimization analysis
Bottlenecks
Redundancy
Swim lane

Bottlenecks occur when resources reach full capacity and cannot handle any additional demands; they limit throughput and impede operations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

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Automating a business process that contains _____ or _____ will magnify or amplify these problems if they are not corrected first. *(p. 51)*

Bottlenecks; regulations
Redundancies; regulations
Bottlenecks; redundancies
Redundancies; swim lanes

Automating a business process that contains bottlenecks or redundancies will magnify or amplify these problems if they are not corrected first.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Fedex is a great example of a company that created a competitive advantage through combining MIS and _____. *(p. 52)*

Traditional distribution and logistics processes
Logistic processes and an As-Is process model
Artificial intelligence and As-Is process model
Swim lanes and logistic processes

Fedex is a great example of a real life company that created a competitive advantage through combining MIS and traditional distribution and logistics processes.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

What is the analysis and redesign of workflow within and between enterprises? *(p. 52)*

Critical success factors (CSFs)
Benchmarking metrics
Business process reengineering (BPR)
Decision support interfaces (DSI)

Business process reengineering (BPR) is the analysis and redesign of workflow within and between enterprises.

AACSB: Reflective Thinking
AACSB: Technology

Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

(p. 49) Changing business processes with MIS outlines how to improve the three levels of business processes which include operational, managerial, and strategic. From operational to strategic, what are the three major improvement strategies that the author describes?

Automation - streamlining - reengineering
Artificial intelligence - streamlining - reengineering
Automation - workflow - reinvention
Automation - consolidating - restructuring

Changing business processes with MIS outlines how to improve the three levels of business processes which include operational, managerial, and strategic. From operational to strategic, the three major improvement strategies are automation - streamlining - reengineering.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

(p. 49) Which of the below represents the four main steps in the business process reengineering?

Set project problem, study competition, create new products, and implement solution
Set project scope, study competition, create new products, and implement solution
Set project scope, study competition, create new processes, and implement solution
Study competition, set project scope, create new processes, and implement solutions

The four main steps in the business process reengineering model include 1) set project scope, 2) study competition, 3) create new processes, and 4) implement solution.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

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Which of the following explains why a company would implement a BPR strategy?
(p. 49)

To encourage competition
To decrease customers
To create value for the customer
All of the above

To create value for the customer is the leading reason a company would implement a BPR strategy, and MIS often plays an important enabling role.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

What includes the tasks, activities, and responsibilities required to execute each step in a business process?
(p. 49)

Workflow
Swim lane
Automation
Streamlining

Workflow includes the tasks, activities, and responsibilities required to execute each step in a business process.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

What is the process of computerizing manual tasks, making them more efficient and effective and dramatically lowering operational costs?
(p. 49)

Workflow
Swim lane
Automation
Streamlining

Automation is the process of computerizing manual tasks, making them more efficient and effective and dramatically lowering operational costs.

AACSB: Reflective Thinking
AACSB: Technology

Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

(p. 49) What improves business process efficiencies by simplifying or eliminating unnecessary steps?

Workflow
Swim lane
Automation
Streamlining

Streamlining improves business process efficiencies by simplifying or eliminating unnecessary steps.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

(p. 49) What occurs when resources reach full capacity and cannot handle any additional demands limiting throughput and impeding operations?

Bottlenecks
Redundancy
Automation
Streamlining

Bottlenecks occurs when resources reach full capacity and cannot handle any additional demands limiting throughput and impeding operations.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

What occurs when a task or activity is unnecessarily repeated?
(p. 49)

Bottlenecks
Redundancy
Automation
Streamlining

Redundancy occurs when a task or activity is unnecessarily repeated.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

What is the system that focuses on evaluating and improving the processes that include both person-to-person workflow and system-to-system communications?
(p. 54)

Business process management (BPM) systems
Semistructured systems
Virtual reality
All of the above

Business process management (BPM) systems focus on evaluating and improving processes that include both person-to-person workflow and system-to-system communications.

AACSB: Reflective Thinking
AACSB: Technology
Accessibility: Keyboard Navigation
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-08 Describe business process management and its value to an organization.
Topic: The Future: Business Process Management

Fill in the Blank Questions

_____ decisions are considered operational, and involve situations where established processes offer potential solutions.
(p. 28)

Structured

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

The typical structure of a business organization is similar to a pyramid and consists, from top to bottom, of strategic, managerial, and _____ levels. *(p. 28)*

Operational

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

At the _____ level, of a business structure, employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change. *(p. 28)*

Managerial

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

The _____ level, of a business structure, is where employees develop, control, and maintain core business activities required to run the day-to-day activities. *(p. 28)*

Operational

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

The President and Vice-President of a company are typically found in the _____ level of the business structure. *(p. 28)*

Strategic

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision are considered _____ decisions. *(p. 28)*

Semistructured or Semi-structured

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization

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levels along with the associated decision characteristics.
Topic: Metrics: Measuring Success

_____ is the science of fact-based decision making.
(p. 28)

Analytics

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

The structure of a typical organization is similar to a _____.
(p. 28)

Pyramid

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

A _____ is a temporary activity a company undertakes to create a unique product,
(p. 32) service, or result.

Project or Projects

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

The crucial steps companies perform to achieve their goals and objectives and implement
(p. 32) their strategies are called _____ success factor.

Critical

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

_____ MIS metrics measure the impact MIS has on business processes and activities
(p. 32) including customer satisfaction and customer conversion rates.

Effectiveness

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.

Topic: Metrics: Measuring Success

_____ MIS metrics measure the performance of the IT system itself including
(p. 32) throughput, speed, availability, etc.

Efficiency

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

_____ focuses on how well an organization is achieving its goals and objectives.
(p. 32)

Effectiveness

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

_____ focuses on the extent to which an organization is using its resources in an optimal
(p. 32) way.

Efficiency

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

_____ are baseline values the system seeks to attain.
(p. 32)

Benchmarks or Benchmark or Bench marks or Bench mark

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

_____ is a process of continuously measuring system results, comparing those
(p. 32) results to optimal system performance, and identifying steps and procedures to improve system performance.

Benchmarking

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy

Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.

Topic: Metrics: Measuring Success

_____ is the amount of information that can travel through a system at any point in time. *(p. 32)*

Throughput

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

System _____ is the number of hours a system is available for use by customers and employees. *(p. 32)*

Availability

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

_____ practices are the most successful solutions or problem-solving methods that have been developed by a specific organization or industry. *(p. 32)*

Best

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Topic: Metrics: Measuring Success

_____ seeking analysis finds the inputs necessary to achieve a goal such as a desired level of output. *(p. 36)*

Goal or Goals

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

The basic business system that serves the operational level (analysts) and assists in making structure decisions is called _____ processing system. *(p. 36)*

Transaction

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic

support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Using systems thinking, we can see that the inputs for a transaction processing system are _____ documents, the original transaction record. *(p. 36)*

Source

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

_____ support systems model information using OLAP which provides assistance in evaluating and choosing among different courses of action. *(p. 36)*

Decision or Decisions

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

A _____ is a simplified representation or abstraction of reality. *(p. 36)*

Model or Models

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

_____ information systems is a specialized DSS that supports senior-level executives and unstructured, long-term, nonroutine decisions requiring judgment, evolution and insight. *(p. 38)*

Executive

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

_____ refers to the level of detail in the model or the decision-making process. *(p. 38)*

Granularity

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.

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Topic: Support: Enhancing Decision Making with MIS

_____ produces graphical displays of patterns and complex relationships in large amounts of data. *(p. 38)*

Visualization or Visualizations

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

A digital _____ tracks KPIs and CSFs by compiling information from multiple sources and tailoring it to meet user needs. *(p. 38)*

Dashboard or Dashboards

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

A model is a simplified representation or abstraction of _____.
(p. 38)

Reality

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

A decision support system models _____ to support managers and business professionals during the decision-making process. *(p. 38)*

Information

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

_____ analysis occurs when users change the value of one variable repeatedly and observe the resulting changes in other variables. *(p. 38)*

Sensitivity

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy

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Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

What-if analysis checks the impact of a _____ in an assumption on the proposed solution. *(p. 38)*

Change or Changes

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

_____ logic is a mathematical method of handling imprecise or subjective information. *(p. 41)*

Fuzzy

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

_____ systems are various commercial applications of artificial intelligence. *(p. 41)*

Intelligent or Intelligence

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Artificial intelligence simulates _____ intelligence such as the ability to reason and learn. *(p. 41)*

Human

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

_____ systems are computerized advisory programs that imitate the reasoning processes of experts in solving difficult problems. *(p. 41)*

Expert

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

A(n) _____ agent is a special-purpose knowledge-based information system that
(p. 41) accomplishes specific tasks on behalf of its users.

Intelligent

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Executive information systems are starting to take advantage of _____ intelligence
(p. 41) to support strategic decision making, by stimulating human thinking and behavior.

Artificial

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

A shopping _____ is software that will search several retailer websites and

(p. 41) provide a comparison of each retailer's offerings including price and availability.

Bot or Robot

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

Citibank uses _____ networks to find opportunities in financial markets by carefully
(p. 41) examining historical stock market data.

Neural

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

At Microsoft's headquarters in Washington they have implemented a _____ workforce to
(p. 41) help alleviate congestion, save on real estate, and potentially increase worker production.

Virtual

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

The _____ facing processes are also called front-office processes that result in a
(p. 44) product or service received by an external customer.

Customer or Customers

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

_____ processes are business processes, such as manufacturing goods, selling
(p. 44) products, and providing service that make up the primary activities in a value chain.

Core

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

A business process _____ is a patent that protects a specific set of procedures for
(p. 46) conducting a particular business activity.

Patent or Patents

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

A _____ lane layout arranges the steps of a business process into a set of rows
(p. 47) depicting the various elements.

Swim

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

Business process modeling or _____ is the activity of creating a detailed flowchart
(p. 47) or process of a work process that shows its inputs, tasks, and activities in a structured sequence.

Mapping

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.

As-Is _____ model represents the current state of the operation that has been mapped,
(p. 47) without any specific improvements or changes to existing processes.

Process

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

To-Be process _____ represent the current state of the operation that has been
(p. 47) mapped, without any specific improvements or changes to existing processes.

Model or Models

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

A _____ occurs when resources reach full capacity and cannot handle any
(p. 49) additional demands.

Bottleneck or Bottle neck or Bottlenecks or Bottle necks

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

The primary types of business process change from the operational level to the strategic level
(p. 49) are _____, streamlining, and reengineering.

Automation

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 2 Medium
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Business process reengineering is the analysis and _____ of workflow within and
(p. 49) between enterprises.

Redesign

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Understand
Difficulty: 2 Medium
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

_____ includes the tasks, activities, and responsibilities required to execute each step in a business process. *(p. 49)*

Workflow or Workflows or Work flow or Work flows

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

_____ is the process of computerizing manual tasks, making them more efficient and effective and dramatically lowering operational costs. *(p. 49)*

Automation or Automating

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

_____ improves business process efficiencies by simplifying or eliminating unnecessary steps in a process. *(p. 49)*

Streamlining

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

A business _____ management system focuses on evaluating and improving processes that include both person-to-person workflow and system-to-system communications. *(p. 54)*

Process or Processes

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Remember
Difficulty: 1 Easy
Learning Outcome: 02-08 Describe business process management and its value to an organization.
Topic: Support: Enhancing Business Processes with MIS

Essay Questions

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Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics. *(p. 28)*

Decision-making skills are essential for all business professionals, at every company level, who make decisions that run the business. At the operational level, employees develop, control, and maintain core business activities required to run the day-to-day operations. Operational decisions are considered structured decisions, which arise in situations where established processes offer potential solutions. Structured decisions are made frequently and are almost repetitive in nature; they affect short-term business strategies. At the managerial level, employees are continuously evaluating company operations to hone the firm's abilities to identify, adapt to, and leverage change. Managerial decisions cover short- and medium-range plans, schedules, and budgets along with policies, procedures, and business objectives for the firm. These types of decisions are considered semistructured decisions; they occur in situations in which a few established processes help to evaluate potential solutions, but not enough to lead to a definite recommended decision. At the strategic level, managers develop overall business strategies, goals, and objectives as part of the company's strategic plan. They also monitor the strategic performance of the organization and its overall direction in the political, economic, and competitive business environment. Strategic decisions are highly unstructured decisions, occurring in situations in which no procedures or rules exist to guide decision makers toward the correct choice. They are infrequent, extremely important, and typically related to long-term business strategy.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-01 Explain the importance of decision making for managers at each of the three primary organization levels along with the associated decision characteristics.
Topic: Making Business Decisions

Define critical success factors (CSFs) and key performance indicators (KPIs), and explain how managers use them to measure the success of MIS projects. *(p. 32)*

Metrics are measurements that evaluate results to determine whether a project is meeting its goals. Two core metrics are critical success factors and key performance indicators. CSFs are the crucial steps companies perform to achieve their goals and objectives and implement their strategies and include creating high-quality products, retaining competitive advantages, and reducing product costs. KPIs are the quantifiable metrics a company uses to evaluate progress toward critical success factors. KPIs are far more specific than CSFs; examples include turnover rates of employees, percentage of help-desk calls answered in the first minute, and number of products returned. It is important to understand the relationship between critical success factors and key performance indicators. CSFs are elements crucial for a business strategy's success. KPIs measure the progress of CSFs with quantifiable measurements, and one CSF can have several KPIs. Of course, both categories will vary by company and industry. Imagine improved graduation rates as a CSF for a college.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard

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Learning Outcome: 02-02 Define critical success factors (CSFs) and key performance indicators (KPIs); and explain how managers use them to measure the success of MIS projects.

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Topic: Metrics: Measuring Success

Classify the different operational support systems, managerial support systems, and strategic support systems, and explain how managers can use these systems to make decisions and gain competitive advantages. *(p. 36)*

Being able to sort, calculate, analyze, and slice-and-dice information is critical to an organization's success. Without knowing what is occurring throughout the organization there is no way that managers and executives can make solid decisions to support the business. The different operational, managerial, and strategic support systems include: Operational: A transaction processing system (TPS) is the basic business system that serves the operational level (analysts) in an organization. The most common example of a TPS is an operational accounting system such as a payroll system or an order-entry system. Managerial: A decision support system (DSS) models information to support managers and business professionals during the decision-making process. Strategic: An executive information system (EIS) is a specialized DSS that supports senior level executives within the organization.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-03 Classify the different operational support systems; managerial support systems; and strategic support systems; and explain how managers can use these systems to make decisions and gain competitive advantages.
Topic: Support: Enhancing Decision Making with MIS

Describe artificial intelligence, and identify its five main types. *(p. 41)*

Artificial intelligence (AI) simulates human thinking and behavior, such as the ability to reason and learn. The five most common categories of AI are: 1. Expert systems—computerized advisory programs that imitate the reasoning processes of experts in solving difficult problems.

Neural networks—attempts to emulate the way the human brain works. 3. Genetic algorithm—a system that mimics the evolutionary, survival-of-the-fittest process to generate increasingly better solutions to a problem. 4. Intelligent agents—a special-purpose knowledge-based information system that accomplishes specific tasks on behalf of its users. 5. Virtual reality—a computer-simulated environment that can be a simulation of the real world or an imaginary world.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-04 Describe artificial intelligence; and identify its five main types.
Topic: The Future: Artificial Intelligence

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Explain the value of business processes for a company, and differentiate between customer-facing and business-facing process. *(p. 44)*

A business process is a standardized set of activities that accomplish a specific task, such as processing a customer's order. Business processes transform a set of inputs into a set of outputs (goods or services) for another person or process by using people and tools. Without processes, organizations would not be able to complete activities. Customer-facing processes result in a product or service that is received by an organization's external customer. Business-facing processes are invisible to the external customer but essential to the effective management of the business.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-05 Explain the value of business processes for a company; and differentiate between customer-facing and business-facing process.
Topic: Evaluating Business Processes

Demonstrate the value of business process modeling, and compare As-Is and To-Be models. *(p. 47)*

Business process modeling (or mapping) is the activity of creating a detailed flowchart or process map of a work process showing its inputs, tasks, and activities, in a structured sequence. A business process model is a graphic description of a process, showing the sequence of process tasks, which is developed for a specific purpose and from a selected viewpoint. Business process modeling usually begins with a functional process representation of what the process problem is, or an As-Is process model. As-Is process models represent the current state of the operation that has been mapped, without any specific improvements or changes to existing processes. The next step is to build a To-Be process model that displays how the process problem will be solved or implemented. To-Be process models show the results of applying change improvement opportunities to the current (As-Is) process model. This approach ensures that the process is fully and clearly understood before the details of a process solution are decided upon.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-06 Demonstrate the value of business process modeling; and compare As-Is and To-Be models.
Topic: Models: Measuring Performance

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Differentiate among business process improvements, streamlining, and reengineering.
(p. 49)

Business process improvement attempts to understand and measure the current process and make performance improvements accordingly. Streamlining improves business process efficiencies by simplifying or eliminating unnecessary steps. Bottlenecks occur when resources reach full capacity and cannot handle any additional demands; they limit throughput and impede operations. Streamlining removes bottlenecks, an important step if the efficiency and capacity of a business process are being increased. Business process reengineering (BPR) is the analysis and redesign of workflow within and between enterprises and occurs at the systems level or companywide level and the end-to-end view of a process.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-07 Differentiate among automation; streamlining; and reengineering.
Topic: Support: Enhancing Business Processes with MIS

Describe business process management and its value to an organization.
(p. 54)

Business process management (BPM) systems focus on evaluating and improving processes that include both person-to-person workflow and system-to-system communications. BPM systems include advanced features such as enhanced process modeling, simulation, execution, and monitoring, providing a high level of flexibility while reducing costs.

AACSB: Reflective Thinking
AACSB: Technology
Blooms: Analyze
Difficulty: 3 Hard
Learning Outcome: 02-08 Describe business process management and its value to an organization.
Topic: The Future: Business Process Management