# Test Bank for Experiencing MIS CDN 5th Kroenke

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***Experiencing MIS, Canadian Edition, 5e* (Kroenke)**
**Chapter 2 Business Processes and Decision Making**

1) Business processes are synonymous with business systems.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 25
Study Question: Q2
Skill: RECALL

2) You should always ask yourself "how can I use my time in school to enhance those skills I already have?"
Answer: TRUE
Diff: 2 Type: TF Page Ref: 43
Study Question: Q10
Skill: RECALL

3) The inventory management process includes placing orders and receiving goods into inventory.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 26
Study Question: Q2
Skill: APPLIED

4) In the payment process, the invoice is compared to the purchase order.
Answer: TRUE
Diff: 3 Type: TF Page Ref: 26
Study Question: Q2
Skill: APPLIED

5) A copy of the purchase order is sent to the customer.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 26
Study Question: Q2
Skill: RECALL

6) A business process consists of activities, resources, facilities, and information.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 26
Study Question: Q3
Skill: RECALL

7) Any item of value can be considered to be a potential resource for a business process.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 27
Study Question: Q3
Skill: RECALL


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8) Activities transform resources and data into different kinds of resources and data.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 27
Study Question: Q3
Skill: RECALL

9) An inventory database would be considered to be an example of a facility in the inventory management process.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 27
Study Question: Q3
Skill: RECALL

10) The fact that it rained 1.2 inches today is an example of information.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 27
Study Question: Q4
Skill: APPLIED

11) The fact that the sun rose this morning at 6:25 a.m. is an example of data.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 27
Study Question: Q4
Skill: APPLIED

12) Data is another word for information.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 27
Study Question: Q4
Skill: APPLIED

13) When data is presented with a meaningful context, it becomes information.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 27
Study Question: Q4
Skill: RECALL

14) The information that is the output of one process can be viewed as a data input to another process.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 27
Study Question: Q4
Skill: APPLIED


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15) Each activity within a business process must use one, and only one, information system.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 31
Study Question: Q6
Skill: RECALL

16) It is good business practice for a payment activity to have a single person assigned to approve payments and generate checks.
Answer: FALSE
Diff: 3 Type: TF Page Ref: 33
Study Question: Q6
Skill: RECALL

17) Strategic decisions involve long term actions whose consequences may not be realized for years.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 35
Study Question: Q7
Skill: RECALL

18) A structured decision involves an understood and accepted method for making the decision.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 35
Study Question: Q7
Skill: RECALL

19) A transaction processing system helps managers allocate and utilize resources.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 34
Study Question: Q7
Skill: RECALL

20) During intelligence gathering, the decision makers determine what is to be decided, what the criteria for the decision will be, and what data are available.
Answer: TRUE
Diff: 3 Type: TF Page Ref: 36
Study Question: Q7
Skill: RECALL

21) While weather is an unstructured phenomenon, weather forecasting is an example of structured decision making.
Answer: TRUE
Diff: 3 Type: TF Page Ref: 35
Study Question: Q7
Skill: APPLIED


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22) The quality of your thinking is a large part of the quality of the information system.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 37
Study Question: Q10
Skill: RECALL

23) The review step may lead to another decision and another iteration of the decision making process.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 36
Study Question: Q7
Skill: RECALL

24) Your mind and your thinking are not merely a component of the information systems you use; they are the most important component.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 37
Study Question: Q10
Skill: RECALL

25) Information needs to be just barely sufficient for the purpose for which it is generated.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 29
Study Question: Q4
Skill: RECALL

26) For information to be worth its cost, there must be an appropriate relationship between the cost of information and its value.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 30
Study Question: Q4
Skill: RECALL

27) An activity is considered to be automated when it is characterized by people following procedures.
Answer: FALSE
Diff: 1 Type: TF Page Ref: 31
Study Question: Q6
Skill: APPLIED

28) In an information systems framework, software and procedure components are both sets of instructions.
Answer: TRUE
Diff: 1 Type: TF Page Ref: 31
Study Question: Q6
Skill: RECALL


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29) In the five-component framework of information systems, the actors are hardware and people.
Answer: TRUE
Diff: 2 Type: TF Page Ref: 31
Study Question: Q6
Skill: RECALL

30) Automation moves work from the software component to the hardware component.
Answer: FALSE
Diff: 2 Type: TF Page Ref: 32
Study Question: Q6
Skill: RECALL

31) A business process is
A) a network of activities used to accomplish business goals.
B) a set of required steps in a production process.
C) a network of activities, resources, facilities, and information that interact to achieve some business function.
D) a set of activities in a value chain.
E) a set of activities in a supply chain.
Answer: C
Diff: 2 Type: MC Page Ref: 25
Study Question: Q2
Skill: RECALL

32) An information system must produce information that is
A) worth its cost, relevant, barely sufficient, and accurate.
B) relevant, timely, all encompassing, and worth its cost.
C) just barely sufficient, only a year old, and worth its cost.
D) timely and accurate.
E) accurate and worth its cost.
Answer: A
Diff: 3 Type: MC Page Ref: 29
Study Question: Q4
Skill: RECALL

33) Which of the following are characteristics of good information?
A) Worth its cost, timely, relevant, all encompassing
B) Timely, expensive but complete, relevant
C) Relevant, not many important errors, worth its cost
D) Timely, expensive but complete, accurate
E) Timely, relevant, worth its cost, barely sufficient, accurate
Answer: E
Diff: 3 Type: MC Page Ref: 29
Study Question: Q4
Skill: APPLIED


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34) Relevant information refers to information that is
A) worth the value paid to generate it.
B) useful to both the context and the subject at hand.
C) good for the purpose for which it is generated.
D) produced in time for its intended use.
E) correct and complete.
Answer: B
Diff: 2 Type: MC Page Ref: 29
Study Question: Q4
Skill: RECALL

35) Just barely sufficient information refers to information that is
A) correct and complete.
B) produced in time for its intended use.
C) good for the purpose for which it is generated.
D) not useful to the decision being made.
E) useful to both the context and the subject at hand.
Answer: C
Diff: 2 Type: MC Page Ref: 29
Study Question: Q4
Skill: RECALL

36) "Worth its cost" refers to information
A) that is produced in time for its intended use.
B) that is good for the purpose for which it is generated.
C) that is collected in a low-cost manner.
D) that has an appropriate relationship between its cost and its value.
E) that is useful to both the context and the subject at hand.
Answer: D
Diff: 2 Type: MC Page Ref: 30
Study Question: Q4
Skill: RECALL

37) Operational decisions refer to
A) the control of resources and activities over a time period of less than one month.
B) day-to-day activities.
C) an understood and accepted method for making decisions.
D) the allocation and utilization of resources.
E) broader-scope, organizational issues.
Answer: B
Diff: 2 Type: MC Page Ref: 34
Study Question: Q7
Skill: RECALL


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38) Managerial decisions refer to
A) day-to-day activities.
B) broader-scope, organizational issues.
C) an understood and accepted method for making decisions.
D) the allocation and utilization of resources.
E) the control of resources and activities.
Answer: D
Diff: 2 Type: MC Page Ref: 35
Study Question: Q7
Skill: RECALL

39) Strategic decision refer to
A) the allocation and utilization of resources.
B) broader-scope, organizational issues.
C) day-to-day activities.
D) transactions details.
E) an understood and accepted method for making decisions.
Answer: B
Diff: 2 Type: MC Page Ref: 35
Study Question: Q7
Skill: RECALL

40) A Transaction Processing System supports
A) transactional decisions.
B) operational decisions.
C) strategic decisions.
D) executive decisions.
E) managerial decisions.
Answer: B
Diff: 1 Type: MC Page Ref: 34
Study Question: Q7
Skill: RECALL

41) A Management Information System supports
A) operational decisions.
B) managerial decisions.
C) strategic decisions.
D) unstructured decisions.
E) executive decisions.
Answer: B
Diff: 1 Type: MC Page Ref: 35
Study Question: Q7
Skill: RECALL


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42) Operational decisions involve
A) long term actions.
B) short term actions.
C) allocation of resources.
D) product line development.
E) staffing quotas.
Answer: B
Diff: 1 Type: MC Page Ref: 34
Study Question: Q7
Skill: RECALL

43) An understood and accepted method for making decisions is used to make
A) managerial decisions.
B) operational decisions.
C) strategic decisions.
D) executive decisions.
E) structured decisions.
Answer: E
Diff: 3 Type: MC Page Ref: 35
Study Question: Q7
Skill: RECALL

44) An unstructured decision making process
A) is one for which there is an agreed upon decision-making method.
B) is one for which there is no documentation required.
C) is one for which there are no structured steps.
D) is one for which there are no formal procedures.
E) is one for which there is no agreed-on decision-making method.
Answer: E
Diff: 3 Type: MC Page Ref: 35
Study Question: Q7
Skill: RECALL

45) The step in a decision making process where decision markers determine what is to be decided, what the criteria for the decision will be, and what data are available is called
A) alternatives formulation.
B) decision analysis.
C) intelligence gathering.
D) the review step.
E) the choice step.
Answer: C
Diff: 2 Type: MC Page Ref: 36
Study Question: Q7
Skill: RECALL


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46) The stage in a decision making process where decision makers lay out various alternatives is called
A) decision analysis.
B) intelligence gathering.
C) alternatives formulation.
D) the choice step.
E) the review step.
Answer: C
Diff: 2 Type: MC Page Ref: 36
Study Question: Q7
Skill: RECALL

47) The stage in a decision making process which a decision maker analyzed the alternatives and selected one is called
A) alternatives formulation.
B) the choice step.
C) intelligence gathering.
D) decision step.
E) the review step.
Answer: B
Diff: 2 Type: MC Page Ref: 36
Study Question: Q7
Skill: RECALL

48) An activity can be defined as
A) the carrying out of a business procedure.
B) a series of steps in a business process.
C) an action that supports a business strategy.
D) transforming resources and information of one type into resources and information of another type.
E) action performed by an actor.
Answer: D
Diff: 3 Type: MC Page Ref: 26
Study Question: Q3
Skill: RECALL

49) Items of value are referred to as
A) money.
B) valuables.
C) resources.
D) facilities.
E) equipment.
Answer: C
Diff: 2 Type: MC Page Ref: 26
Study Question: Q3
Skill: RECALL


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50) The HELM system improves efficiency by eliminating
A) computers aboard tugboats.
B) multiple dispatcher log sheets.
C) multiple data entries for each job.
D) accurate paper work.
E) the large number of people involved in completing a job.
Answer: C
Diff: 1 Type: MC Page Ref: 37
Study Question: Q10
Skill: APPLIED

51) Knowledge derived from data can be described as
A) wisdom.
B) information.
C) knowledge.
D) data.
E) context.
Answer: B
Diff: 3 Type: MC Page Ref: 27
Study Question: Q4
Skill: RECALL

52) Recorded facts or figures is (are)
A) context.
B) information.
C) data.
D) knowledge.
E) processed information.
Answer: C
Diff: 2 Type: MC Page Ref: 27
Study Question: Q4
Skill: RECALL

53) Data presented in a meaningful context can be described as
A) processed information.
B) knowledge.
C) information.
D) processed knowledge.
E) processed data.
Answer: C
Diff: 2 Type: MC Page Ref: 28
Study Question: Q4
Skill: RECALL


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54) Which of the following is arguably the most important component of an Information System?
A) Software
B) Hardware
C) Processes
D) Information
E) People
Answer: E
Diff: 3 Type: MC Page Ref: 31
Study Question: Q6
Skill: APPLIED

55) The review step
A) is when the organization makes a decision.
B) is when the organization makes a decision and may lead to another decision.
C) may lead to another decision.
D) is when the organization reviews the results of the decision.
E) is when the organization reviews the results of the decision and may lead to another decision.
Answer: E
Diff: 2 Type: MC Page Ref: 36
Study Question: Q7
Skill: APPLIED

56) Which of the following is a structured decision?
A) Fortune telling
B) Performance appraisals
C) Stock marketing forecasting
D) Predicting the Super Bowl winner
E) Weather forecasting
Answer: E
Diff: 3 Type: MC Page Ref: 35
Study Question: Q7
Skill: APPLIED

57) Which of the following is an unstructured decision?
A) Allocating furniture and equipment to employees
B) Weather forecasting
C) Determining the future book value of assets
D) Stock marketing forecasting
E) Airline pricing
Answer: D
Diff: 3 Type: MC Page Ref: 35
Study Question: Q7
Skill: APPLIED


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58) Which of the following is a managerial decision?
A) Which invoices should be paid today?
B) Determining next year's IT budget
C) Should we extend credit to a customer?
D) Determining how many daily transactions have occurred in a specified period
E) Should our firm acquire a competing firm?
Answer: B
Diff: 3 Type: MC Page Ref: 35
Study Question: Q7
Skill: APPLIED

59) Which of the following is an operational decision?
A) Determining next year's IT budget
B) Should we extend credit to a customer?
C) What are our production goals for the next three months?
D) Which invoices should be paid today?
E) Should our firm acquire a competing firm?
Answer: D
Diff: 2 Type: MC Page Ref: 34
Study Question: Q7
Skill: RECALL

60) Which of the following is a strategic decision?
A) Should we extend credit to a customer?
B) Determining next year's IT budget
C) What wage should we pay a particular employee?
D) Should our firm acquire a competing firm?
E) Which invoices should be paid today?
Answer: D
Diff: 2 Type: MC Page Ref: 35
Study Question: Q7
Skill: RECALL

61) Which of the following is most useful to a company?
A) Knowledge
B) Observations
C) Decisions
D) Information
E) Data
Answer: A
Diff: 3 Type: MC Page Ref: 38
Study Question: Q8
Skill: APPLIED


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62) The average wage for a factory worker is an example of (a)
A) data.
B) business process.
C) knowledge.
D) strategy.
E) decision.
Answer: C
Diff: 3 Type: MC Page Ref: 27
Study Question: Q4
Skill: APPLIED

63) The statement that Jeff Parks earns less than half the average hourly wage of the Garden Department is
A) policy.
B) strategy.
C) data.
D) information.
E) decision.
Answer: D
Diff: 3 Type: MC Page Ref: 27
Study Question: Q4
Skill: APPLIED

64) Which systems are typically used during the alternatives formulation step?
A) Word processors
B) Digital imaging systems
C) Presentation software
D) Statistics packages
E) Collaborative systems
Answer: E
Diff: 3 Type: MC Page Ref: 36
Study Question: Q7
Skill: APPLIED

65) Which systems are typically used to analyze data and information during the choice step?
A) Word processing packages
B) Financial modelling tools
C) Databases
D) Digital imaging packages
E) Presentation software
Answer: B
Diff: 3 Type: MC Page Ref: 36
Study Question: Q7
Skill: APPLIED


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66) Customer numbers and their names would be an example of the _____ component of an order management information system.
A) software
B) information
C) procedure
D) hardware
E) people
Answer: B
Diff: 2 Type: MC Page Ref: 27
Study Question: Q3
Skill: RECALL

67) Business systems are sometimes referred to as business
A) networks.
B) models.
C) channels.
D) processes.
E) webs.
Answer: D
Diff: 2 Type: MC Page Ref: 26
Study Question: Q2
Skill: RECALL

68) A business process is a network of information, resources, facilities, and
A) hardware.
B) activities.
C) systems.
D) data.
E) knowledge.
Answer: B
Diff: 2 Type: MC Page Ref: 26
Study Question: Q3
Skill: RECALL

69) In the inventory management process, quality inspection would be viewed as a(n)
A) activity.
B) information output.
C) data input.
D) resource.
E) facility.
Answer: A
Diff: 2 Type: MC Page Ref: 26
Study Question: Q3
Skill: APPLIED


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70) An activity can be _____ or _____ and sometimes blended, depending on how the procedures are executed.
A) external, internal
B) manual, automated
C) internal, automated
D) automated, integrated
E) integrated, manual
Answer: B
Diff: 2 Type: MC Page Ref: 31
Study Question: Q6
Skill: RECALL

71) In an automated activity the computer hardware receives its instructions from (the)
A) version control program.
B) network protocols.
C) people.
D) software.
E) Web services.
Answer: D
Diff: 2 Type: MC Page Ref: 26
Study Question: Q3
Skill: RECALL

72) Because they have input into the inventory management process, both suppliers and customers are viewed as
A) information outputs.
B) data inputs
C) resources.
D) facilities.
E) activities.
Answer: C
Diff: 3 Type: MC Page Ref: 27
Study Question: Q3
Skill: RECALL

73) The truck that delivers the orders to the receiving and stocking activity would be viewed in the inventory management process as a(n)
A) facility.
B) information output.
C) activity.
D) resource.
E) data input.
Answer: A
Diff: 2 Type: MC Page Ref: 27
Study Question: Q3
Skill: RECALL


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74) Inventories, databases, factories, and equipment are all examples of
A) resources.
B) information.
C) transactions.
D) facilities.
E) activities.
Answer: D
Diff: 2 Type: MC Page Ref: 27
Study Question: Q3
Skill: RECALL

75) The on-time performance of all your vendors for a specific item would be an example of
A) inventory.
B) data.
C) communication.
D) information.
E) resources.
Answer: D
Diff: 2 Type: MC Page Ref: 27
Study Question: Q4
Skill: APPLIED

76) For General Motors, the quantity of tire rims received would be an example of
A) communication.
B) knowledge.
C) data.
D) information.
E) resources.
Answer: C
Diff: 2 Type: MC Page Ref: 27
Study Question: Q4
Skill: APPLIED

77) In an information system, the software and _____ components are both sets of instructions.
A) data
B) software
C) people
D) procedure
E) hardware
Answer: D
Diff: 2 Type: MC Page Ref: 31
Study Question: Q6
Skill: RECALL


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78) Business processes generate information by combining key data in a specific
A) context.
B) activity.
C) procedure.
D) relevance.
E) process.
Answer: A
Diff: 2 Type: MC Page Ref: 31
Study Question: Q4
Skill: APPLIED

79) In an information system the people and _____ components are considered to be actors since they can take specific actions.
A) hardware
B) data
C) people
D) procedure
E) software
Answer: A
Diff: 2 Type: MC Page Ref: 31
Study Question: Q6
Skill: RECALL

80) _____ would be one of the factors that lead to designing fully automated systems.
A) High skill employee positions
B) Tasks that require significant employee data inputs
C) Low turnover employee positions
D) High turnover employee positions
E) Tasks that require significant human judgement
Answer: D
Diff: 3 Type: MC Page Ref: 32
Study Question: Q6
Skill: RECALL

81) _____ is (are) instructions for hardware and _____ is (are) instructions for people.
A) Procedures, software
B) Software, processes
C) Data, processes
D) Machine instructions, user manuals
E) Software, procedures
Answer: E
Diff: 2 Type: MC Page Ref: 31
Study Question: Q6
Skill: RECALL


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82) If you do not know what to do with the information that your IS produces (even if it is a perfectly functioning IS)
A) you likely started with faulty data.
B) you probably have the wrong communications software.
C) ask a techie for a translation.
D) you can still make decisions based on that information.
E) you are wasting your time and money.
Answer: E
Diff: 3 Type: MC Page Ref: 38
Study Question: Q10
Skill: APPLIED

83) In an information systems framework, _____ is the bridge between the computer side on the left and the human side on the right.
A) hardware
B) software
C) procedure
D) data
Answer: D
Diff: 2 Type: MC Page Ref: 31
Study Question: Q6
Skill: APPLIED

84) When activities formerly done by people following procedures are moved to computers that perform the work by following instructions in software, the activities are said to be
A) outsourced.
B) automated.
C) documented.
D) systematized.
Answer: B
Diff: 2 Type: MC Page Ref: 32
Study Question: Q6
Skill: APPLIED

85) Automation of a process activity consists of moving work from the _____ of the symmetrical five-component framework.
A) software side to the human side
B) data side to the procedure side
C) human side to the computer side
D) software side to the hardware side
Answer: C
Diff: 2 Type: MC Page Ref: 32
Study Question: Q6
Skill: APPLIED


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86) John's height is 6 feet 3 inches. This is a type of
A) data.
B) information.
C) procedure.
D) content.
Answer: A
Diff: 1 Type: MC Page Ref: 27
Study Question: Q4
Skill: RECALL

87) Which of the following refers to information that is based on correct and complete data and has been processed correctly, as expected?
A) relevant information
B) measurable information
C) accurate information
D) timely information
Answer: C
Diff: 2 Type: MC Page Ref: 29
Study Question: Q4
Skill: RECALL

88) Which of the following information is good information for the CEO of a call centre?
A) Hourly variance reports of performance parameters in each queue
B) Daily report of calls attended by each employee
C) Real-time information about the average time spent per call by employees
D) Department-level averages of revenue generation figures
Answer: D
Diff: 2 Type: MC Page Ref: 29
Study Question: Q4
Skill: APPLIED

89) _____ information is information that directly pertains both to the context and to the subject.
A) Timely
B) Relevant
C) Measurable
D) Expensive
Answer: B
Diff: 1 Type: MC Page Ref: 29
Study Question: Q4
Skill: RECALL


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90) Which of the following statements is true regarding the characteristics of good information?
A) Information needs to be more than just barely sufficient for the purpose for which it is generated.
B) Information must hold an appropriate relationship between its cost and value.
C) Accurate information can be based on incomplete data.
D) Good information is just recorded facts and figures.
Answer: B
Diff: 2 Type: MC Page Ref: 29
Study Question: Q4
Skill: APPLIED

91) Business Process Modelling Notation provides _____ graphical elements that can be used to document a process.
Answer: four
Diff: 2 Type: SA Page Ref: 27
Study Question: Q3
Skill: RECALL

92) Human resources personnel say that _____ is one of the most effective ways of finding a job.
Answer: networking
Diff: 2 Type: SA Page Ref: 33
Study Question: Q10
Skill: RECALL

93) A _____ lists the items ordered and the quantity requested of each item.
Answer: purchase order
Diff: 2 Type: SA Page Ref: 26
Study Question: Q2
Skill: RECALL

94) The _____ process works to balance the demands from customers with the inventory purchased from suppliers.
Answer: inventory management
Diff: 2 Type: SA Page Ref: 26
Study Question: Q2
Skill: RECALL

95) When stock in inventory hits a critical point, it is called the _____ point.
Answer: reorder
Diff: 2 Type: SA Page Ref: 26
Study Question: Q2
Skill: RECALL


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96) The most common definition of information is that it is derived from data, where data is defined as _____.
Answer: recorded facts
Diff: 2 Type: SA Page Ref: 27
Study Question: Q4
Skill: RECALL

97) Good information is based on _____ and correct data.
Answer: complete
Diff: 2 Type: SA Page Ref: 29
Study Question: Q4
Skill: RECALL

98) _____ information is produced in time for its intended use.
Answer: Timely
Diff: 2 Type: SA Page Ref: 30
Study Question: Q4
Skill: RECALL

99) Information should be _____ to both the context and the subject.
Answer: relevant
Diff: 2 Type: SA Page Ref: 30
Study Question: Q4
Skill: RECALL

100) For information to be _____ there must be an appropriate relationship between the cost of information and its value.
Answer: worth its cost
Diff: 2 Type: SA Page Ref: 30
Study Question: Q4
Skill: RECALL

101) Software and procedure components are both sets of _____.
Answer: instructions
Diff: 2 Type: SA Page Ref: 32
Study Question: Q6
Skill: RECALL

102) _____ decisions concern the allocation and utilization of resources.
Answer: Managerial
Diff: 2 Type: SA Page Ref: 35
Study Question: Q7
Skill: RECALL


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103) An employee's name and number would be an example of _____.
Answer: data
Diff: 2 Type: SA Page Ref: 29
Study Question: Q4
Skill: RECALL

104) The average compensation for sales agents in a company would be an example of _____.
Answer: information
Diff: 2 Type: SA Page Ref: 29
Study Question: Q4
Skill: RECALL

105) _____ are raw, unprocessed facts such as inventory levels.
Answer: Data
Diff: 2 Type: SA Page Ref: 29
Study Question: Q4
Skill: RECALL

106) _____ is the process of moving human work to the computer side of the information system.
Answer: Automation
Diff: 2 Type: SA Page Ref: 32
Study Question: Q6
Skill: RECALL

107) Data becomes information when it has a(n) _____.
Answer: context
Diff: 2 Type: SA Page Ref: 28
Study Question: Q4
Skill: RECALL

108) The fact that oil costs $74.25 a barrel is an example of _____.
Answer: data
Diff: 2 Type: SA Page Ref: 28
Study Question: Q4
Skill: APPLIED

109) _____ is the bridge between the human and computer components of an information system.
Answer: Data
Diff: 2 Type: SA Page Ref: 31
Study Question: Q4
Skill: RECALL


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110) The way in which you run a program such as a spreadsheet program is called a(n) _____.
Answer: procedure
Diff: 3 Type: SA Page Ref: 32
Study Question: Q6
Skill: APPLIED

111) Instructions for how a computer should perform specific tasks is (are) called _____.
Answer: software
Diff: 2 Type: SA Page Ref: 32
Study Question: Q6
Skill: RECALL

112) From a business process view, order placement in an inventory management process would be a(n) _____.
Answer: activity
Diff: 3 Type: SA Page Ref: 26
Study Question: Q2
Skill: APPLIED

113) A customer acts as a(n) _____ in the inventory management process.
Answer: resource
Diff: 3 Type: SA Page Ref: 26
Study Question: Q3
Skill: RECALL

114) A network of activities, resources, facilities, and information that interact to achieve some business function is a(n) _____.
Answer: business process
Diff: 2 Type: SA Page Ref: 25
Study Question: Q2
Skill: RECALL

115) From a business process viewpoint, a warehouse that stores inventory would be a(n) _____.
Answer: facility
Diff: 2 Type: SA Page Ref: 27
Study Question: Q3
Skill: RECALL

116) The payment _____ transforms invoice information into payment information.
Answer: activity
Diff: 3 Type: SA Page Ref: 26
Study Question: Q3
Skill: APPLIED


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117) An example of a(n) _____ payment activity is seen when an accounts payable clerk receives and checks the accuracy of invoices against the purchase orders before issuing a payment.
Answer: manual
Diff: 2 Type: SA Page Ref: 34
Study Question: Q6
Skill: RECALL

118) Provide an example of a managerial decision.
Answer: Any decisions that involve the allocation and utilization of resources. Typical managerial decisions are: How much should we budget for computer hardware and programs for department A next year? How many engineers should we assign to project B?
Diff: 3 Type: ES Page Ref: 34
Study Question: Q7
Skill: APPLIED

119) Provide an example of an operational decision.
Answer: Operational decisions concern day-to-day activities. Typical operational decisions are: How many widgets should we order from vendor A? Should we extend credit to vendor B? Which invoices should we pay today?
Diff: 3 Type: ES Page Ref: 35
Study Question: Q7
Skill: APPLIED

120) Provide an example of a strategic decision.
Answer: Strategic decisions concern broader-scope, organizational issues. Typical decisions at the strategic levels are: Should we start a new product line? Should we open a centralized warehouse in Calgary?
Diff: 3 Type: ES Page Ref: 35
Study Question: Q7
Skill: APPLIED

121) Provide an example of an unstructured decision.
Answer: An unstructured decision process is one for which there is no agreed-on decision-making method.
Predicting the future direction of the economy or the stock market is a famous example.
Diff: 3 Type: ES Page Ref: 35
Study Question: Q7
Skill: APPLIED

122) Provide an example of a structured decision.
Answer: A structured decision is one for which there is an understood and accepted method for making the decision. A formula for computing the reorder quantity of an item in inventory is an example of a structured decision process.
Diff: 3 Type: ES Page Ref: 35
Study Question: Q7
Skill: APPLIED


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123) Describe the types of systems used during the intelligence gathering step.
Answer: During intelligence gathering, email and video conferences facilitate communication among the decision makers. Also, during the first phase, decision makers use query and reporting systems, as well as other types of data analysis applications to obtain relevant data.
Diff: 3 Type: ES Page Ref: 36
Study Question: Q7
Skill: RECALL

124) Describe the types of systems used during the choice step.
Answer: During the choice step, analysis applications such as spreadsheets and financial and other modelling applications help decision makers to analyze alternatives.
Diff: 3 Type: ES Page Ref: 36
Study Question: Q7
Skill: RECALL

125) Describe the types of systems used during the implementation step.
Answer: The implementation stage involves the use of communications applications, and all types of information systems can be used during review.
Diff: 3 Type: ES Page Ref: 36
Study Question: Q7
Skill: RECALL

126) What does a transaction processing system support?
Answer: A transaction processing system supports operational decisions.
Diff: 2 Type: ES Page Ref: 34
Study Question: Q7
Skill: RECALL

127) Describe the types of systems used during the review step.
Answer: During the review step, communications applications, analysis applications such as spreadsheets and financial and query and reporting systems help decision makers to analyze alternatives.
Diff: 2 Type: ES Page Ref: 35
Study Question: Q7
Skill: RECALL

128) What is meant by a business process? Give an example.
Answer: A business process is defined as being a network of activities, resources, facilities, and information that interact to achieve some business function. Sometimes they are also referred to as business systems. The text describes an example of the inventory management process which starts with purchasing activities and ends with the payment activity. Other common processes might include the sales order management process and the employee recruiting process.
Diff: 2 Type: ES Page Ref: 26
Study Question: Q2
Skill: RECALL


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129) What is data and how is it different from information?
Answer: Data are simply the raw recorded facts and figures. Data is one of the five basic components of an information system. The system turns data into information by classifying, summarizing, sorting it and giving it a meaningful context.
Diff: 3 Type: ES Page Ref: 27
Study Question: Q4
Skill: APPLIED

130) What are the components of a business process? Give examples of each.
Answer: The components of a business process include activities, resources, facilities, and information. Activities transform resources and information from one type into another. This happens when a clerk checks a customer credit rating before entering in a sales order for that customer. Resources are items of interest to the process. They interact with the process but are not under direct control of the organization. These could be customers and vendors. Facilities include databases, inventories, factories and equipment. Information is what activities use to determine how to transform the inputs they receive into outputs they produce.
Diff: 3 Type: ES Page Ref: 30
Study Question: Q3
Skill: APPLIED

131) Explain data with an example.
Answer: Data is defined as recorded facts or figures. Information is knowledge derived from data. The facts that an employee of an organization earns $17.50 per hour and that another employee of the same organization earns $25.00 per hour are examples of data.
Diff: 3 Type: ES Page Ref: 27
Study Question: Q4
Skill: APPLIED

132) Describe relevant data. Explain the importance of relevant data in an organizational context.
Answer: Relevant data is data that directly pertains to both the context and the subject. Considering context, a CEO needs data that is summarized to an appropriate level for his or her job. A list of the hourly wage of every employee in the company is unlikely to be useful. More likely, the CEO needs average wage information by department or division. A list of all employee wages is irrelevant in this context.
Data should also be relevant to the subject at hand. If data about short-term interest rates is required to find a possible line of credit, then a report that shows 15-year mortgage interest rates is irrelevant.
Diff: 3 Type: ES Page Ref: 29
Study Question: Q4
Skill: APPLIED


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133) Why is it important for data to be just barely sufficient?
Answer: Data needs to be sufficient for the purpose for which it is generated, but just barely so. People are inundated with data; one of the critical decisions that people make each day is what data to ignore. The higher one rises into management, the more data one will be given, and because there is only so much time, the more data one will need to ignore. So data should be sufficient, but just barely.
Diff: 3 Type: ES Page Ref: 29
Study Question: Q4
Skill: APPLIED


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