# Test Bank for Principles of Information Systems 13th Stair

Access Complete Test Bank for Principles of Information Systems 13th Stair

# Chapter 2 Information Systems in Organizations

## TRUEFALSE

**1.** While information systems were once primarily used to automate manual processes, they have transformed the nature of work and the shape of organizations themselves.

(A) True

(B) False

**Answer :** (A)

**2.** An organization's structure is independent of its goals and approach to management.

(A) True

(B) False

**Answer :** (B)

**3.** Suppose a retail business has an unwritten rule that "every sales person cooperates with others." This is an example of organizational culture.

(A) True

(B) False

**Answer :** (A)

**4.** Reengineering and continuous improvement have the same definition.

(A) True

(B) False

**Answer :** (B)

**5.** Organizations cannot have many value chains.

(A) True

(B) False

**Answer :** (B)

**6.** A sustaining innovation is one that initially provides a lower level of performance than the marketplace has grown to accept.

Access Complete Test Bank for Principles of Information Systems 13th Stair

(A) True

(B) False

**Answer :** (B)

**7.** The concept of a value chain is not significant to organizations unless they manufacture products.

(A) True

(B) False

**Answer :** (B)

**8.** A traditional view of information systems holds that organizations use them to control and monitor processes and ensure effectiveness and efficiency.

(A) True

(B) False

**Answer :** (A)

**9.** Over time, disruptive innovation tends to become less attractive to users in a new market.

(A) True

(B) False

**Answer :** (B)

**10.** Perceived usefulness and ease of use of a system influence an individual's attitude toward the system.

(A) True

(B) False

**Answer :** (A)

**11.** The diffusion of innovation theory states that adoption of any innovation happens all at once for all members of the targeted population.

(A) True

(B) False

**Answer :** (B)

Access Complete Test Bank for Principles of Information Systems 13th Stair

**12.** The diffusion of innovation theory can be useful in planning the rollout of a new information system.

(A) True

(B) False

**Answer :** (A)

**13.** The activities that lead to getting the right product into the right consumer's hands in the right quantity at the right time at the right cost are known as value chain management.

(A) True

(B) False

**Answer :** (B)

**14.** Opportunities in information systems are available to people from different parts of the world.

(A) True

(B) False

**Answer :** (A)

**15.** The role of a systems analyst is narrowly defined and seldom involves communications with others.

(A) True

(B) False

**Answer :** (B)

**16.** The information systems operations group is responsible for the day-to-day running of IS hardware to process the organization's information systems workload.

(A) True

(B) False

**Answer :** (A)

**17.** When an organization hires another firm in another country to perform a specific function on its behalf, it is known as offshoring.

(A) True

Access Complete Test Bank for Principles of Information Systems 13th Stair

(B) False

**Answer :** (A)

**18.** The successful implementation for change only happens when people accept the need for change and believe that it will improve factors such as productivity and/or customer satisfaction.

(A) True

(B) False

**Answer :** (A)

**19.** "Adapting" is the second stage in Lewin's Change Model, which involves learning new work methods, behaviors, and systems.

(A) True

(B) False

**Answer :** (B)

**20.** According to  Lewin's Change Model, an organization must deliberately change old habits, learn new work methods, and accept the new work methods as parts of the job.

(A) True

(B) False

**Answer :** (A)

**21.** Suppose an organization wishes to change for the better.  It can accomplish that just by changing people's roles, responsibilities, and lines of authorities.

(A) True

(B) False

**Answer :** (B)

**22.** When organizational learning occurs, what is revealed can be small, incremental adjustments known as continuous improvement.

(A) True

(B) False

**Answer :** (A)

Access Complete Test Bank for Principles of Information Systems 13th Stair

**23.** Today, many organizations can function and compete effectively without computer-based information systems.

(A) True

(B) False

**Answer :** (B)

**24.** For someone to be a good CIO,  technical ability is the most important characteristic.

(A) True

(B) False

**Answer :** (B)

**25.** One of the primary roles of a senior IS manager is to communicate with other areas of the organization to determine changing business needs.

(A) True

(B) False

**Answer :** (A)

## MULTICHOICE

**26.** Providing value to a _____ is the primary goal of any organization.

(A) stakeholder

(B) product

(C) competitor

(D) service

**Answer :** (A)

**27.** In a manufacturing organization, the supply chain is a key value chain whose primary activities include all of the following EXCEPT:

(A) inbound logistics

(B) finance and accounting

(C) marketing and sales

Access Complete Test Bank for Principles of Information Systems 13th Stair

(D) customer service

**Answer :** (B)

**28.** The idea of _____ is a form of innovation that constantly seeks ways to improve business processes and add value to products and services.

(A) reengineering

(B) process redesign

(C) disruptive change

(D) continuous improvement

**Answer :** (D)

**29.** The performance levels of radically new 'high-tech' products usually improve with newer versions. Such types of products are known as

(A) sustaining innovations

(B) continuous improvement

(C) disruptive innovations

(D) business reengineering

**Answer :** (C)

**30.** _____ involves reducing the number of employees to cut costs.

(A) Outsourcing

(B) Offshoring

(C) Utility computing

(D) Downsizing

**Answer :** (D)

**31.** Which of the following theories explains how a new idea or product gains acceptance and spreads through a specific population or subset of an organization?

(A) diffusion of innovation theory

(B) contingency theory

(C) public choice theory

Access Complete Test Bank for Principles of Information Systems 13th Stair

(D) two-factor theory

**Answer :** (A)

**32.** In a supply chain, _____ involve the transformation, movement, and storage of supplies and raw materials.

(A) virtual flows

(B) matrix flows

(C) information flows

(D) physical flows

**Answer :** (D)

**33.** _____ is a visa program that allows skilled employees from foreign lands into the United States.

(A) L-1B

(B) H-1B

(C) 4F

(D) G-5

**Answer :** (B)

**34.** _____ are responsible for running and maintaining information system equipment and also for scheduling, hardware maintenance, and preparing input and output.

(A) Data-entry operators

(B) System operators

(C) Web operators

(D) Local area network operators

**Answer :** (B)

**35.** _____ encompasses all the activities required to get the right product into the right consumer's hands in the right quantity at the right time and at the right cost, from acquisition of raw materials through customer delivery.

(A) Supply chain management

(B) Value chain management

Access Complete Test Bank for Principles of Information Systems 13th Stair

(C) Inventory management

(D) Customer management

**Answer :** (A)

**36.** In the contemporary view of information systems, they are considered an integral part of the supply chain management process mainly because they: _____.

(A) aid in product transformation

(B) are a means of producing output

(C) are a means of providing input into the process

(D) all of these

**Answer :** (D)

**37.** Suppose you are assigned to manage a virtual team. Which of the following will you NOT do?

(A) define goals, and set expectations

(B) be aware of team members cultural sensitivity

(C) ensure the team members are familiar with each other at a personal level

(D) hold team meetings regularly - whether the team members like it or not

**Answer :** (D)

**38.** All of the following are potential drawbacks to outsourcing EXCEPT:

(A) loss of flexibility and control

(B) low employee morale

(C) greater focus on core business

(D) potential for data breaches

**Answer :** (C)

**39.** Suppose, you need to advise someone about getting a certification. Which of the following will be appropriate advice?

(A) Getting certification is a sure way of improving your income

(B) Certifications are vendor-specific

(C) Certifications are the same as courses offered at universities

Access Complete Test Bank for Principles of Information Systems 13th Stair

(D) You need a college degree before you can take a certification exam

**Answer :** (B)

**40.** All of the following are positive driving forces that influence chance according to Lewin's Theory of Force Field Analysis, EXCEPT:

(A) beliefs

(B) past performance

(C) expectations

(D) cultural norms

**Answer :** (B)

**41.** According to the diffusion innovation theory, _____ are the risk takers, always the first to try new products and ideas.

(A) early majority

(B) late majority

(C) early adopters

(D) innovators

**Answer :** (D)

**42.** Which of the following is NOT one of the four main components in Leavitt's Diamond?

(A) people

(B) systems

(C) tasks

(D) technology

**Answer :** (B)

**43.** The members of an organization who are most likely to contribute to organizational learning are _____.

(A) hourly employees

(B) mid-level managers

(C) executives

Access Complete Test Bank for Principles of Information Systems 13th Stair

(D) all of these

**Answer :** (D)

**44.** Positive outcomes of continuous improvement include _____.

(A) increased customer loyalty

(B) increased customer satisfaction

(C) protection against competitors

(D) all of these

**Answer :** (D)

**45.** According to Lewin and Schein's 3-stage model of organizational change, which of the following tasks would be found in the 'unfreezing' stage?

(A) Monitor progress against success criteria

(B) Establish controls to ensure change is occurring

(C) Establish processes and systems to institutionalize change

(D) Assign leaders and implementation team

**Answer :** (D)

**46.** Suppose you work at a business unit that has group of people who would rather wait to try a new technique. They listen to and follow the opinion leaders. They would be classified as the _____.

(A) innovators

(B) early adopters

(C) early majority

(D) late majority

**Answer :** (C)

**47.** Which of the following is NOT a potential drawback to downsizing?

(A) reduced payroll costs

(B) decreasing employee morale

(C) lower quality

Access Complete Test Bank for Principles of Information Systems 13th Stair

(D) none of these

**Answer :** (A)

**48.** You might be an information systems worker if you _____.

(A) prefer a slow-paced environment, where technology rarely changes

(B) prefer to work only on the computer and are not interested in the business

(C) enjoy learning new techniques and enjoy working with people

(D) are good in book-keeping, like an accountant

**Answer :** (C)

**49.** In most large organizations, the IS department is divided into the following functions _____.

(A) operations and development

(B) operations, development, and support

(C) operations and support

(D) systems, operations, and development

**Answer :** (B)

**50.** Important functions of the chief information officer include

(A) employing an IS department's equipment and staff to help the organization reach its goals

(B) monitoring the financial considerations of the IS department, such as return on investment

(C) ensuring the organization complies with laws and regulations

(D) all of these

**Answer :** (D)

**51.** In a large IS organization, the professional who is responsible for maintaining the security and integrity of the organization's systems and data is_____.

(A) the data center manager

(B) the data security manager

(C) the system security operator

(D) the information systems security analyst

Access Complete Test Bank for Principles of Information Systems 13th Stair

**Answer :** (D)

**52.** Which of the following is NOT a task typically associated with the systems analyst role?

(A) conveying system requirements to software developers and network architects

(B) troubleshooting problems after implementation

(C) collaborating with others to build a software product from scratch

(D) choosing and configuring hardware and software

**Answer :** (C)

**53.** One method an IS professional might use to find a new job would be _____.

(A) seeking referrals from colleagues, friends, and family members

(B) searching and applying for open positions on Internet job sites

(C) networking through an IS professionals' organization

(D) all of these

**Answer :** (D)

## SHORTANSWER

**54.** A manufacturing facility has a series of activities that converts the raw materials into valuable products. Such a series of activities make up the organization's _____ chain.**Answer :** value

**55.** A(n) _____ is a group of individuals whose members are distributed geographically, but who collaborate and complete work through the use of information systems technology.**Answer :** virtual team

**56.** In any organization, _____ such as raw materials, labor, facilities, equipment, and knowledge, are needed to transform them to outputs in a way that increases the input's value.**Answer :** inputs

**57.** The radical redesign of business processes, organizational structures, information systems, and values of an organization to achieve a breakthrough in business results is known as _____.**Answer :** reengineering

**58.** _____ is a set of major understandings and assumptions shared by a group, such as within an ethic group or country.**Answer :** Culture
**Answer :** culture

**59.** _____ is a theory that proposes that every organizational system is made up of four main components-people, tasks, structure, and technology-with an interaction among the four

Access Complete Test Bank for Principles of Information Systems 13th Stair

components so that any change in one of these elements will necessitate a change in the other three elements.**Answer :** Leavitt's diamond

**60.** The attitude towards using an information system depends on its perceived ease-of-use and perceived _____.**Answer :** usefulness

**61.** In the technology acceptance model (TAM), _____ is defined as the degree to which individuals believe that use of the system will improve their performance. **Answer :** perceived usefulness

**62.** _____ means the ability of a product or a service to meet or exceed customer expectations.**Answer :** Quality
**Answer :** quality

**63.** _____ refers to organizational subunits and the way they relate to the overall organization.**Answer :** organizational structure
**Answer :** Organizational structure

**64.** _____ is a long-term business arrangement in which a company contracts for services with an outside organization that has expertise in providing a specific function.**Answer :** Outsourcing
**Answer :** outsourcing

**65.** Sarah, as the head of a business division, wants to set up a network access account for a new employee. She should call the _____ to get this done.**Answer :** LAN administrator or
**Answer :** Network administrator

**66.** A(n) _____ is a professional in a developmental group of an information systems department who assists in choosing and configuring hardware and software, matching technology to users' needs, monitoring and testing the system in operation, and troubleshooting problems after implementation.**Answer :** systems analyst

**67.** _____ design and set up databases to meet an organization's needs.**Answer :** Database administrators
**Answer :** DBAs
**Answer :** database administrators

**68.** The _____ group of a typical information systems organization is responsible for the day-to-day running of IS hardware to process the organization's information systems workload.**Answer :** operations

**69.** _____ convert a program design developed by a systems analyst or software developer using one of many computer languages.**Answer :** Programmers
**Answer :** programmers

**70.** _____ is a process for testing skills and knowledge, which results in a statement by the certifying authority that confirms an individual is capable of performing particular tasks.
**Answer :** Certification
**Answer :** certification

**71.** Process redesign, which is also known as _____, involves the radical redesign of business processes, organizational structures, information systems, and values.**Answer :** business process reengineering

Access Complete Test Bank for Principles of Information Systems 13th Stair

**72.** "Kaizen" is the Japanese word for _____.**Answer :** continuous improvement

**73.** The _____ theory was developed by E.M. Rogers to explain how a new idea or product gains acceptance and diffuses (or spreads) through a specific population or subset of an organization.**Answer :** diffusion of innovation

**74.** The first stage of Lewin's change model, _____, means ceasing old habits and creating a climate that is receptive to change.**Answer :** unfreezing

**75.** _____ is an outsourcing arrangement where the organization providing the service is located in a country different from the firm obtaining the services. **Answer :** Offshore outsourcing
**Answer :** offshoring

**76.** According to Leavitt's theory, _____ in one aspect of the information system element will necessitate changes in other elements also.**Answer :** change

**77.** A local pizzeria that has been around for more than forty years, keeps adjusting to new conditions and altering their practices.  Such behavior is known as ____.**Answer :** organizational learning

**78.** Laptops are a good example of _____ because they are gradually displacing desktop computers due to new and better performance characteristics.**Answer :** disruptive innovation

**79.** Of the five categories of innovation adopters, _____ are always the first to try new products and ideas.**Answer :** innovators

**80.** _____ is the term used to describe the information systems and solutions built and deployed by departments other than the information systems department.**Answer :** Shadow IT
**Answer :** shadow IT
**Answer :** Shadow Information Technology
**Answer :** shadow information technology

## ESSAY

**81.** Define the term value chain and briefly discuss the purpose of the supply chain component in a manufacturing organization.

**Graders Info :**

The value chain is a series (chain) of activities that an organization performs to transform inputs into outputs in such a way that the value of the input is increased. In a manufacturing organization, the supply chain is a key value chain whose primary activities include inbound logistics, operations, outbound logistics, marketing and sales, and service. These primary activities are directly concerned with the creation and/or delivery of the product or service. There are also four main areas of support activities, including technology infrastructure, human resource management, accounting and finance, and procurement.

**82.** Explain the difference between sustaining and disruptive innovation.

Access Complete Test Bank for Principles of Information Systems 13th Stair

**Graders Info :**

Sustaining innovation results in enhancements to existing products, services, and ways of operating. Such innovations are important as they enable an organization to continually increase profits, lower costs, and gain market share. A disruptive innovation is one that initially provides a lower level of performance than the marketplace has grown to accept. Over time, however, the disruptive innovation is improved to provide some new performance characteristics and becomes more attractive to users in a new market. As it continues to improve and begins to provide a higher level of performance, it eventually displaces the former product or way of doing things.

**83.** Explain the concept of "perceived usefulness" in the context of technology acceptance model (TAM).

**Graders Info :**

In the TAM model, "perceived usefulness" is defined as the degree to which individuals believe that use of a system will improve their performance. The perceived ease of use is the degree to which individuals believe that the system will be easy to learn and use. Both the perceived usefulness and ease of use can be strongly influenced by the expressed opinions of others who have used the system and the degree to which the organization supports use of the system (e.g., incentives, offering training and coaching from key users). Perceived usefulness and ease of use in turn influence an individual's attitude toward the system, which affect their behavioral intention to use the system.

**84.** Discuss the roles, functions, and careers in information systems (IS).

**Graders Info :**

Information systems (IS) offer many exciting and rewarding careers. Professionals with careers in information systems can work in an IS department or outside a traditional IS department as Web developers, computer programmers, systems analysts, computer operators, and many other positions. There are also opportunities for IS professionals in the public sector. In addition to technical skills, IS professionals need skills in written and verbal communication, an understanding of organizations and the way they operate, and the ability to work with people and in groups. Most medium to large organizations manage information resources through an IS department. In smaller businesses, one or more people might manage information resources, with support from outsourced services.

**85.** Describe both of Lewin's theories-change model and force field analysis-and explain how they are related.

**Graders Info :**

Lewin's change model proposes that organizational change goes through three stages: Unfreezing, which means ceasing old habits and creating a climate that is receptive to change; moving, which involves learning new work methods, behaviors, and systems; and refreezing, which involves

Access Complete Test Bank for Principles of Information Systems 13th Stair

reinforcing changes to make the new process accepted. Lewin went on to identify two types of forces that can influence these stages, which are explained in his theory of force field analysis. Driving (positive) forces are beliefs, expectations, and cultural norms that encourage change, while restraining (negative) forces make change difficult to accept or implement.

Access Complete Test Bank for Principles of Information Systems 13th Stair