**Chapter 07 :** e-Business Systems

**True / False Questions**

1. Cross-functional enterprise systems cross the boundaries of traditional business functions in order to reengineer and improve vital business processes all across the enterprise.

True False

2. Networked enterprises view cross-functional enterprise systems as a strategic way to use IT to centralize information resources.

True False

3. Partner relationship management concentrates on the efficiency of a firm's internal production, distribution, and financial processes.

True False

4. Knowledge management applications focus on providing a firm's employees with tools that support group collaboration, decision making, and human resources management.

True False

5. Enterprise application integration (EAI) software enables users to model the business processes and interactions that should occur between business applications.

True False

6. Enterprise application integration (EAI) software provides legacy systems that perform data conversion and coordination, and application communication and messaging services.

True False

7. Distribution and manufacturing are considered front office systems; customer service and sales order entry are back office systems.

True False

8. The integration of enterprise application clusters has little, if any, impact on customer call center responsiveness.

True False

9. Transaction processing systems play a vital role in supporting the operations of an e-business enterprise.

True False

10. Online transaction processing (OLTP) is generally considered a post-event system because transactions are entered nightly.

True False

11. Transaction processing systems update the corporate databases of an organization to reflect changes resulting from day-to-day business transactions.

True False

12. Transaction reports can take the form of a transaction listing, such as a payroll register.

True False

13. Enterprise collaboration systems are cross-functional e-business systems that enhance communication, coordination, and collaboration among the members of business teams and workgroups.

True False

14. Training in a virtual world is effective, but obstacles include both technology and culture.

True False

15. Training in a virtual world can both lower costs and increase efficiency.

True False

16. Collaborative work management tools help people accomplish or manage individual work activities.

True False

17. The term interactive marketing has been coined to describe a supply chain management process that is based on using the Internet, intranets, and extranets to establish a two-way transactions between a business and its customers.

True False

18. Increasingly, sales people are using Web browsers and contact management software to connect to their company's marketing websites.

True False

19. Many companies view sales force tracking as a way to gain a strategic advantage in sales productivity and marketing responsiveness.

True False

20. Firms such as transportation companies, wholesalers, retailers, financial institutions, and service companies must use production/operations information systems to plan and control their operations.

True False

21. The overall goal of computer-integrated manufacturing is to segregate the production and support processes.

True False

22. Computer aided manufacturing systems are those that automate the production process, such as employing humanlike robots to complete the step of painting the product being manufactured.

True False

23. A process control computer system uses special sensing devices that measure physical phenomena, such as temperature or pressure changes.

True False

24. Human resource information systems are designed to support most common human resource functions, such as recruitment, selection, hiring, job placement, performance appraisals, and training over corporate intranets.

True False

25. Human resource management applications offered over corporate intranets can enable managers and other employees to perform HRM tasks with little intervention by the HRM department.

True False

26. Accounting information systems are among the newest, yet are the most widely used information systems in business.

True False

27. Operational accounting systems emphasize legal and historical record-keeping and the production of accurate financial statements.

True False

28. According to the Real World case, some of Cisco's employees are full-time telecommuters, living and working in places such as Illinois while telecommuting to the firm's offices in California.

True False

**Multiple Choice Questions**

29. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is defined as the use of the Internet and other networks and information technologies to support electronic commerce, enterprise communication and collaboration, and Web-enabled business processes, both within a networked enterprise and with customers and business partners.

1. Electronic business
2. Enterprise collaboration
3. Cross-functional system management
4. Supply chain management

30. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ systems cross the boundaries of traditional business functions in order to reengineer and improve vital business processes all across the enterprise.

1. Electronic business
2. Enterprise collaboration
3. Cross-functional enterprise
4. Supply chain management

31. Networked enterprises view \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ systems as a strategic way to use IT to share information resources and improve the efficiency and effectiveness of business processes.

1. electronic business
2. enterprise collaboration
3. cross-functional enterprise
4. supply chain management

32. Moving from mainframe-based legacy systems to integrated, cross-functional client/server applications typically involves installing \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ software.

1. enterprise resource planning
2. supply chain management
3. customer relationship management
4. all of the choices are correct.

33. Instead of focusing on the information processing requirements of business functions, enterprise software focuses on supporting integrated clusters of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ involved in the operations of a business.

1. application software
2. business processes
3. customer relationships
4. all of the choices are correct.

34. A(n) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ architecture illustrates the inter-relationships of the major cross-functional enterprise applications that many companies have, or are installing, today.

1. enterprise application
2. enterprise operation
3. cross-functional
4. none of the choices are correct.

35. Which of the following applications focuses on the efficiency of a firm's internal production, distribution, and financial processes?

1. Customer relationship management
2. Enterprise resource planning
3. Knowledge management
4. Supply chain management

36. Which of the following applications focuses on acquiring and retaining profitable customers via marketing, sales, and service processes?

1. Customer relationship management
2. Enterprise resource planning
3. Knowledge management
4. Supply chain management

37. Which of the following applications focuses on developing the most efficient and effective sourcing and procurement processes?

1. Customer relationship management
2. Enterprise resource planning
3. Knowledge management
4. Supply chain management

38. Which of the following applications focuses on tools that support group collaboration and decision support?

1. Customer relationship management
2. Enterprise resource planning
3. Knowledge management
4. Supply chain management

39. Which of the following applications aims to acquire and retain partners who can enhance the sale and distribution of a firm's products and services?

1. Customer relationship management
2. Enterprise resource planning
3. Partner Relationship Management
4. Supply chain management

40. As described in the text, partner relationship management focuses on:

1. Developing the most efficient and effective sourcing and procurement processes
2. Acquiring and retaining profitable customers via delivery of timely products
3. Acquiring and retaining partners who can enhance the selling and distribution of a firm's products and services
4. Providing a firm's employees with tools that support group collaboration and decision support

41. As described in the text, supply chain management focuses on:

1. Developing the most efficient and effective sourcing and procurement processes
2. Acquiring and retaining profitable customers via delivery of timely products
3. Acquiring and retaining partners who can enhance the selling and distribution of a firm's products and services
4. Providing a firm's employees with tools that support group collaboration and decision support

42. According to the text, customer relationship management focuses on:

1. Developing the most efficient and effective sourcing and procurement processes
2. Acquiring and retaining profitable customers via marketing and delivery of timely products and services
3. Acquiring and retaining partners who can enhance the selling and distribution of a firm's products and services
4. Providing a firm's employees with tools that support group collaboration and decision support

43. According to the text, enterprise resource planning focuses on:

1. Developing the most efficient and effective sourcing and procurement processes
2. Acquiring and retaining profitable customers via delivery of timely products
3. The efficiency of a firm's internal production, distribution, and financial processes
4. Providing a firm's employees with tools that support group collaboration and decision support

44. As described in the text, knowledge management focuses on:

1. Developing the most efficient and effective sourcing and procurement processes
2. Acquiring and retaining profitable customers via delivery of timely products
3. Acquiring and retaining partners who can enhance the selling and distribution of a firm's products and services
4. Providing a firm's employees with tools that support group collaboration and decision support

45. Enterprise application integration (EAI) software enables users to model the business processes and interactions that should occur between:

1. International divisions
2. Suppliers and customers
3. End users
4. Business applications

46. Enterprise application integration (EAI) software provides \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ that performs data conversion and subordination, and application communication and messaging services.

1. middleware
2. a legacy system
3. the telecommunication protocol
4. a business application

47. Distribution and manufacturing are \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. middleware
2. legacy systems
3. back office systems
4. front office systems

48. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ software can integrate the front-office and back office systems applications of a business so they work together in a seamless, integrated way.

1. Customer relationship management (CRM)
2. Knowledge management (KM)
3. Enterprise application integration (EAI)
4. Supply chain management (SCM)

49. Customer service and sales order entry are \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. middleware
2. legacy systems
3. back office systems
4. front office systems

50. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ are events that occur as part of doing business, such as sales, purchases, deposits, withdrawals, refunds, and payments.

1. Items
2. Transactions
3. Occurrences
4. Processes

51. A transaction is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. any exchange of goods
2. any business event that must be captured and recorded
3. an event requiring an exchange of money
4. any business process where an exchange of resources occurs

52. Transaction processing systems play a vital role in supporting the \_\_\_\_ of an e-business enterprise.

1. customer service
2. product distribution
3. operations
4. systems architecture

53. Transaction processing systems are \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ information systems that process data resulting from the occurrence of business transactions.

1. customer relationship management (CRM)
2. knowledge management (KM)
3. operational accounting
4. cross-functional

54. Online transaction processing is considered a \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ system because it captures and processes transactions immediately.

1. customer service
2. post-event
3. batch processing
4. real time

55. The first step of the transaction processing cycle is \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. inquiry processing
2. document generation
3. transaction processing
4. data entry

56. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ update the corporate databases of an organization to reflect changes resulting from day-to-day business transactions.

1. Online transaction processing (OLTP) systems
2. Enterprise application integration systems
3. Accounting processing systems
4. Transaction processing systems

57. Transaction processing systems process data in two basic ways: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. Online processing, offline processing
2. Online/real-time processing, batch processing
3. Distributed processing, centralized processing
4. Replicated processing, distributed processing

58. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ systems are cross-functional information systems that enhance communication and coordination among the members of business teams and workgroups.

1. Enterprise coordination
2. Enterprise integration
3. Enterprise collaboration
4. Transaction processing

59. The capabilities and potential of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ are driving the demand for better enterprise collaboration tools in business.

1. the Internet
2. intranets
3. extranets
4. All of the choices are correct.

60. Electronic mail, voice mail, faxing, Web publishing, bulletin board systems, and paging are considered \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ tools.

1. electronic communication
2. collaborative work management
3. electronic conferencing
4. All of the choices are correct.

61. Video-conferencing, chat systems, and discussion forums are considered \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ tools.

1. electronic communication
2. collaborative work management
3. electronic conferencing
4. All of the choices are correct.

62. Workflow systems, document sharing, and knowledge management are considered \_\_\_\_\_\_\_\_\_ tools.

1. electronic communication
2. collaborative work management
3. electronic conferencing
4. All of the choices are correct.

63. Which of the following is considered a collaborative work management tool?

1. Calendaring and scheduling
2. Instant messaging
3. Voice conferencing
4. Paging

64. Which of the following is considered an electronic communications tool?

1. Calendaring and scheduling
2. Instant messaging
3. Voice conferencing
4. Chat systems

65. Which of the following is considered an electronic conferencing tool?

1. Calendaring and scheduling
2. Instant messaging
3. Data conferencing
4. Paging

66. Training in a virtual world is effective, but obstacles include both \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. technology and culture
2. hardware and software
3. front office and back office
4. suppliers and customers

67. Training in a virtual world can both \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. increase costs and increase efficiency
2. lower costs and lower efficiency
3. increase costs and lower efficiency
4. lower costs and increase efficiency

68. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ tools help people accomplish or manage group work activities.

1. Calendaring and scheduling
2. Task and project management
3. Collaborative work management
4. Knowledge management

69. Collaborative work management tools include all of the following except:

1. Calendaring and scheduling tools
2. Task and project management
3. Faxing, paging, and bulletin board systems
4. Knowledge management

70. A(n) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ business system is a type of information system that supports the business functions of accounting, finance, marketing, operations management, and human resource management.

1. functional
2. inter-enterprise
3. collaboration
4. enterprise resource

71. Marketing information systems can help marketing managers with:

1. Customer relationship management
2. Product planning and pricing
3. Targeted marketing strategies
4. All of the choices are correct.

72. Which of the following is considered a human resource business function?

1. Compensation analysis
2. Payroll
3. Customer relationship management
4. Sales force automation

73. Which of the following is considered a production/operations business function?

1. Personnel requirements forecasting
2. Process control
3. Investment management
4. Sales force automation

74. Which of the following is supported by the marketing business function?

1. Compensation analysis
2. Process control
3. Credit management
4. Sales force automation

75. All of the following are supported by the accounting business function except:

1. General ledger
2. Inventory control
3. Capital budgeting
4. Payroll

76. Providing website visitors with chat rooms, Web forms and questionnaires, and e-mail correspondence opportunities enables companies to use \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ to encourage customers to become involved in product development, delivery, and service issues.

1. order processing
2. interactive marketing
3. sales force automation
4. None of the choices are correct.

77. Targeted marketing includes all of the following components except:

1. Online behavior
2. Content
3. Credit
4. Demographics/psychographics

78. Advertising and promotion efforts can be tailored to each visit to a site by an individual. This strategy is based on a variety of tracking techniques, such as Web "\_\_\_\_\_\_\_\_\_\_" files recorded on the visitor's disk drive from previous visits.

1. Virus
2. Donut
3. Cookie
4. Compressed

79. Many companies view sales force automation as a way to gain \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in sales productivity and marketing responsiveness.

1. customer loyalty
2. strategic advantage
3. higher profits
4. demographic/psychographic customer statistics

80. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ information systems support the production/operations function that includes all activities concerned with the planning and control of the processes producing goods and services.

1. Finance
2. Management
3. Marketing
4. Manufacturing

81. Computer integrated manufacturing is an overall concept that stresses using computer-based systems in manufacturing to do all the following, except:

1. Simplify production processes
2. Automate production processes
3. Integrate all production and support processes
4. Integrate collaboration and communication throughout the organization

82. Computer-integrated manufacturing systems do all the following for activities that are needed to produce products, except:

1. simplify
2. automate
3. segregate
4. integrate

83. The overall goal of computer-integrated manufacturing is to create flexible, agile, manufacturing processes that do what?

1. Support the knowledge management processes of the organization.
2. Create products leading specifically to high customer satisfaction.
3. Efficiently produce products of the highest quality.
4. Integrate well into Supply Chain information systems.

84. Computer-integrated manufacturing systems support all of the following concepts except:

1. Flexible manufacturing systems
2. Inquiry processing
3. Agile manufacturing
4. Total quality management

85. When a manufacturer automates production of a product by installing computer systems to monitor processes and robots to do some of the assembly tasks, it is an example of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. computer integrated manufacturing
2. computer-aided manufacturing
3. process control
4. task control

86. When a manufacturer installs performance-monitoring information systems for factory floor operations, it is an example of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

1. computer integrated manufacturing
2. computer-aided manufacturing
3. process control
4. manufacturing execution systems

87. When a manufacturer uses computers to control ongoing physical processes, it is an example of \_\_

1. computer integrated manufacturing
2. computer-aided manufacturing
3. process control
4. manufacturing execution systems

88. Machine control is the use of computers to control the actions of machines. This is also known as \_

1. numerical control
2. computer-aided manufacturing
3. process control
4. manufacturing execution systems

89. Accounting systems are among the \_\_\_\_\_\_\_\_\_\_\_\_\_, yet \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ information systems in business.

1. newest, least used
2. newest, most widely used
3. oldest, least used
4. oldest, most widely used

90. According to the text, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ emphasize legal and historical record-keeping and the production of accurate financial statements.

1. operational accounting systems
2. management accounting systems
3. cross-functional accounting systems
4. financial accounting systems

91. Which of the six essential accounting business systems mentioned in the text reflects changes in inventory and provides shipping and reorder information?

1. Accounts payable
2. Accounts receivable
3. Inventory control
4. Order processing

92. Which of the six essential accounting business systems mentioned in the text records purchases from, amounts owed to, and payments to suppliers?

1. Accounts payable
2. Accounts receivable
3. Inventory control
4. Order processing

93. Computer-based \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ systems support business managers and professionals in decisions concerning the financing of a business, and the allocation and control of financial resources within a business.

1. accounting information
2. financial management
3. marketing information
4. management information