

Chapter03

True/False

Indicate whether the statement is true or false.

- 1. “Productivity tools” are software applications that help workers produce more in less time.
- 2. Serving customers better and faster, as well as learning more about their experiences and preferences, is facilitated by decision support systems (DSSs).
- 3. The purpose of marketing is to track every financial transaction within a company, from a few cents to multimillion dollar purchases, from salaries and benefits to the sale of every item.
- 4. Human Resources ISs are used extensively for managerial purposes, assisting in organizing quarterly and annual budgets for departments, divisions, and entire corporations.
- 5. A brokerage house can make a profit of several thousand dollars within two minutes of buying and selling several million dollars’ worth of foreign currency.
- 6. Material requirements planning (MRP) programs use long-range forecasts to put long-lead material on order.
- 7. Ideally, the ISs of manufacturing organizations and their suppliers would be linked in a way that makes them subsystems of one large system.
- 8. When the process of marketing products is complete, the next link in the supply chain is shipping.
- 9. The most important development in software to support SCM has been a technology called radio frequency identification (RFID).
- 10. Modern CRM systems can help capture the entire customer experience with an organization, from response to an online advertisement to automatic replenishment of products, to proactive service.
- 11. Through interviews with producers and manufacturers, market researchers collect information on what consumers like and dislike about products.
- 12. The business research firm Gartner estimates the average invoice-to-payment cycle at 11 days, while online invoice and payment shortens the period by at least six days.
- 13. Automating the personnel selection process significantly minimizes time and money spent on recruitment and does not even require that a current database be maintained.
- 14. Most companies insist on receiving paper applications and résumés.
- 15. With newer technology, such as RFID, you will be aware of who and when information is collected about you.
- 16. ERP applications are expensive.

Multiple Choice

Identify the choice that best completes the statement or answers the question.

- ___ 17. ___ defines the degree to which a goal is achieved.
- a. Efficiency
 - b. Productivity
 - c. Enhancement
 - d. Effectiveness
- ___ 18. ___ is determined by the relationship between resources expended and the benefits gained in achieving a goal.
- a. Efficiency
 - b. Effectiveness
 - c. Productivity
 - d. Enhancement
- ___ 19. ___ specifically refers to the efficiency of human resources.
- a. Efficiency
 - b. Productivity
 - c. Enhancement
 - d. Effectiveness
- ___ 20. CRM and supply chain management (SCM) systems combined are often referred to as ___.
- a. decision support systems (DSSs)
 - b. enterprise resource planning (ERP) systems
 - c. business intelligence (BI) systems
 - d. geographic information systems (GISs)
- ___ 21. The purpose of ___ is to track every financial transaction within a company, from a few cents to multimillion dollar purchases, from salaries and benefits to the sale of every item.
- a. human resources
 - b. marketing
 - c. accounting
 - d. project management
- ___ 22. Typically, ___ ISs receive records of routine business transactions—such as the purchase of raw materials or services, or the sale of manufactured goods—from transaction processing systems (TPSs).
- a. sales
 - b. human resources
 - c. marketing
 - d. accounting
- ___ 23. ___, used to accumulate data about costs involved in producing specific products, make excellent use of IT to compile pricing data.
- a. ERP systems
 - b. Cost-accounting systems
 - c. Human resources systems
 - d. SCM systems
- ___ 24. The goal of financial managers, including ___ and treasurers, is to manage an organization's money as efficiently as possible.
- a. controllers
 - b. auditors
 - c. project managers
 - d. supervisors
- ___ 25. Systems that deal specifically with cash are often called ___.
- a. decision support systems (DSSs)
 - b. business intelligence (BI) systems
 - c. cash management systems (CMSs)
 - d. expert systems (ESs)
- ___ 26. The time between generating an idea for a product and completing a prototype that can be mass-manufactured is known as engineering lead time, or ___.
- a. time to sell
 - b. time to distribute
 - c. time to produce
 - d. time to market
- ___ 27. The process of a group of colleagues meeting and working collaboratively to generate creative solutions and new ideas is known as ___.

- a. teleconferencing
 - b. brainstorming
 - c. group-think
 - d. think-tank
- ___ 28. In its fundamental form, a ___ consists of three phases: procurement of raw materials, processing the materials into intermediate and finished goods, and delivery of the goods to customers.
- a. supply chain
 - b. sales chain
 - c. supply link
 - d. sales link
- ___ 29. While ___ participate in physical activities such as cutting and welding, other information systems help to plan and monitor manufacturing.
- a. CAD systems
 - b. ERP systems
 - c. CAM systems
 - d. CRM systems
- ___ 30. MRP programs use ___ to put long-lead material on order.
- a. short-range forecasts
 - b. long-range demands
 - c. past consumption
 - d. long-range forecasts
- ___ 31. The ___ is an important input to MRP applications which includes a list of all raw materials and subcomponent demands.
- a. bill of raw materials (BORM)
 - b. bill of materials (BOM)
 - c. economic order quantity (EOQ)
 - d. convenient order quantity (COQ)
- ___ 32. Some ___ applications are tied to a purchasing IS, to produce purchase orders automatically when the quantity on hand reaches a reorder level.
- a. CAM
 - b. MRP II
 - c. MRP
 - d. MPS
- ___ 33. Successful MRP II systems have made a significant contribution to ___ manufacturing, where suppliers ship parts directly to assembly lines, saving the cost of warehousing raw materials, parts, and subassemblies.
- a. quality
 - b. ahead-of-time (AOT)
 - c. just-in-time (JIT)
 - d. productivity
- ___ 34. ___ tags contain circuitry that allows recording of information about a product.
- a. DI
 - b. IRID
 - c. RFID
 - d. WID
- ___ 35. A(n) ___ tag can include the date of manufacturing, the plant in which the product was made, lot number, expiration date, destination, and many other details that help track its movement and sale.
- a. UPC
 - b. RFID
 - c. EPC
 - d. ID
- ___ 36. Mostly, customer relationship management (CRM) systems support three areas: ___, sales, and customer service.
- a. marketing
 - b. human resources
 - c. manufacturing
 - d. processing
- ___ 37. Casinos embed ___ in betting chips and antennas in betting tables to receive signals from the chips.
- a. UPC tags
 - b. bars
 - c. labels
 - d. RFID tags
- ___ 38. ___ help to find the populations and regions that are most likely to purchase a new product or service.
- a. Process research systems
 - b. Market research systems
 - c. Process systems
 - d. Expert systems (ESs)

- _____ 39. Computer telephony integration (CTI) is a technique enabling a computer to use the digital signal coming through a telephone line as _____ in a computer system.
- | | |
|-----------|-------------------|
| a. output | c. identification |
| b. input | d. feedback |
- _____ 40. The FAQ pages of many companies have been replaced with options for _____; instead of looking up a question that is similar to what you would ask, you can simply type in your question.
- | | |
|-------------------------|--------------------|
| a. questionnaires | c. forms |
| b. open-ended questions | d. short questions |

Completion

Complete each statement.

41. _____ improves when fewer workers are required to produce the same amount of output.
42. With a(n) _____ system, totals of accounts receivable and accounts payable can be automatically transferred to a balance sheet.
43. One common use for a CMS is to execute cash transactions in which financial institutions transfer huge amounts of money using _____.
44. _____ refers to creating one-of-a-kind products to test design in three dimensions.
45. In retail, the manufacturing phase does not exist, so the term “_____” refers only to purchasing of finished goods and the delivery to customers of those goods.
46. The _____ of a specific raw material is the optimal quantity that allows a business to minimize overstocking and save cost, without risking understocking and missing production deadlines.
47. The variables that affect the cost and speed of _____ are numerous: length of routes, sequence of loading and unloading, type of shipped materials, fuel prices, road tolls, terrain and restricted roads, and many more.
48. When a pattern of defects is discovered in a product, _____ helps pinpoint the plant at which it was produced and the particular lot from which it came.
49. _____ systems are designed to support any and all relationships with customers.
50. _____ (marketing over the telephone) makes extensive use of IT.
51. Many salespeople carry laptop computers or _____ with all the information they need and that allow them to connect to their organizational information systems through the Internet.
52. _____ (intraorganizational networks that support Web applications) help HR managers post position vacancy announcements for employees to peruse and consider from their own PCs.
53. _____ software emulates situations in which an employee must act and includes tests and modules to evaluate a trainee’s performance.

54. To optimize employee benefits, some companies use special software, incorporating a(n) _____ (IS that emulates human expertise) that determines the optimal health and retirement plans for each employee based on factors such as marital status, age, occupation, and other data.
55. Several enterprise applications, such as _____ systems, also serve as SCM systems.
56. Companies can reduce their inventory by communicating to their suppliers through a shared _____ system the exact number of units of each item they need and the exact time they need them.