**MIS7**

**End of Chapter Solutions**

**Chapter 1**

**Reviews and Discussions**

1. What are two applications of computers and information systems in your daily life??

Answer—

* Office suite software for doing homework.
* Taking online classes.

1. What are two differences between computer literacy and information literacy?

Answer—

* Computer literacy is skill in using productivity software, such as word processors, spreadsheets, database management systems, and presentation software, as well as having a basic knowledge of hardware and software, the Internet, and collaboration tools and technologies.
* Information literacy is understanding the role of information in generating and using business intelligence.

1. What are two recommendations in order to reduce risk and improve the privacy of your personal information?

Answer—

* Always use the privacy controls offered by the social networking sites.
* Use long passwords (8 characters or longer) that mix uppercase and lowercase letters with numbers and symbols.

1. Which component (s) of an information system is responsible for converting data to information? Discuss.

Answer—

The process component of an information system generates the most useful type of information for decision making, including transaction-processing reports and models for decision analysis.

1. What are two examples of decisions that are supported by a PIS/HRIS?

Answer—

* Choosing the best job candidate.
* Scheduling and assigning employees.

1. How businesses can use the Michael Porter's Five Forces Model to analyze the business environment? Discuss.

Answer—

Michael Porter’s Five Forces Model analyzes an organization, its position in the marketplace, and how information systems could be used to make it more competitive. The five forces include buyer power, supplier power, threat of substitute products or services, threat of new entrants, and rivalry among existing competitors.

1. What are three computing trends that are already underway?

Answer—

* Ubiquitous computing: Computing devices everywhere with different sizes and power and accessed through multiple formats such as voice, touch, and gesture (discussed in Chapter 2).
* The Internet of things (IoT) and the Internet of everything (IoE): Connected devices through the Web that will be used by businesses and individuals for increasing productivity and cost savings (discussed in Chapter 7).

1. What are three examples of information technologies that are currently being used by retail businesses?

Answer—

* Digital signage or dynamic signage
* Mobile wallets

**Projects**

1. Identify three applications of information systems at the college or the university that you are attending. Write a one-page paper that describes these three applications, and provide an example of the type of decisions that are being improved by each application.

Answer—

Answers will vary. Online registration, online learning systems, and transcript preparations are just a few examples.

1. Grocery chains have been using information technologies for several decades. After reading the information presented in this chapter and other sources, write a one-page paper that describes three such technologies.

Answer—

Answers will vary. Point-of-sale (POS) systems, radio-frequency-identification (RFID) tags, and automated inventory systems are just a few examples..

1. RFID tags are being increasingly used by companies such as Macy's, Walmart, and Home Depot. Identify an additional company that uses RFIDs and write a one-page paper that describes the company’s specific application of RFIDs.

Answer—

Answers will vary.

1. After reading the information presented in this chapter and other sources, write a one-page paper that describes the ways two different companies use Michael Porter’s three strategies. How are information systems assisting these companies in implementing each strategy?

Answer—

Answers will vary.

1. After reading the information presented in this chapter and other sources, write a one-page paper that supports the claim that, in the future, computer criminals will become more sophisticated and that protecting personal information will become more difficult.

Answer—

Answers will vary.

1. Banks are promoting online banking to a broad range of customers. After reading the information presented in this chapter and other sources, write a one-page paper that lists three advantages and three disadvantages of online banking. Why are some customers reluctant to use online banking?

Answer—

Answers will vary.

Three advantages

* Accessing customer service by e-mail around the clock
* Viewing current and old transactions
* Online mortgage applications

Three disadvantages

* Security issues
* Privacy issues
* Access issues

**Are You Ready to Move On?**

1. Computer literacy is understanding the role of information in generating and using business intelligence. True or False?

Answer—

False

1. A database is a collection of all relevant data organized in a series of integrated files. True or False?

Answer—

True

1. Michael Porter, three strategies for successfully competing in the marketplace includes overall cost leadership, differentiation, and focus. True or False?

Answer—

True

1. Which of the following is not among the major components of an information system?

a. Data

b. Information

c. Differentiation

d. Database

1. All of the following are among decisions supported by an FIS except:

a. Improving budget allocation

b. Minimizing capital investment risks

c. Ordering decisions

d. Managing cash flows

Answer—

C

1. To be useful, information must have all of the following qualities except:

a. Only use external data

b. Integration with other data and information

c. Timeliness

d. Consistency and accuracy

Answer—

A

**Case Study 1-1**

1. Is technology alone enough to ensure high-quality customer service?

Answer—

Answers will vary. A brief answer is no.

1. What are Federal Express’s estimated annual savings from using information technology?

Answer—

Answers will vary.

1. What are a couple of examples of information technologies used by Federal Express?

Answer—

Answers will vary. The following are few examples:

* A comprehensive Web site, www.FedEx.com, where it assists customers and reduces costs
* Ship Manager
* Uses customer relationship management software called Clarify for improving customer service

**Case Study 1-2**

1. According to this case study, what is an upcoming key technology that will be used in retail stores to improve customer service?

Answer—

Mobile technology.

2. What is the name of the device used by Ahold USA’s Stop & Shop retail stores?

Answer—

Scan It.

3. What will be the role of smartphones in the future of shopping?

Answer—

Answers will vary. Most experts believe that smartphones will be used as a device for paying for products and services among other things.