

Question Paper

Information Technology and Systems - II (MB232): July 2007

- Answer all questions.
- Each question carries one mark.

1. Which of the following statements is/are **true** about networks? [< Answer >](#)
- I. Point-to-point networks are usually used to cover small areas.
 - II. Broadcast networks are usually used to cover large areas.
 - III. Point-to-point networks are also called unicast networks.
- (a) Only (II) above
(b) Only (III) above
(c) Both (I) and (II) above
(d) Both (II) and (III) above
(e) All (I),(II) and (III) above.
2. Which of the following is/are **true** about Virtual Private Networks? [< Answer >](#)
- I. VPNs offers better security.
 - II. VPNs use virtual connections which are routed through the internet from the company's network to the remote area.
 - III. VPNs transfer information by encrypting and encapsulating it into data packets and send the packets over the internet.
- (a) Only (I) above
(b) Only (III) above
(c) Both (I) and (II) above
(d) Both (I) and (III) above
(e) All (I), (II) and (III) above.
3. Which of the following is/are example(s) of server operating system(s)? [< Answer >](#)
- I. Linux.
 - II. Windows 98.
 - III. Solaris.
- (a) Only (I) above
(b) Only (III) above
(c) Both (I) and (II) above
(d) Both (I) and (III) above
(e) All (I), (II) and (III) above.
4. Naresh Brokerage Services is the market leader in financial services. It has been in the industry for more than 15 years. There is need for computerization of all earlier manual and semi manual systems. An administrator controls a central server. All the client based stand-alone systems are located in the same office and they interact with the central server. The company reduced the cost of cabling while designing the network topology. Which of the following network topology the company might have used? [< Answer >](#)
- (a) Star topology
(b) Tree topology
(c) Bus topology
(d) Mesh topology
(e) Hybrid topology.
5. A Bus topology [< Answer >](#)
- (a) Is easy to install and easy to reconfigure
(b) Is easy to install but difficult to reconfigure
(c) Is difficult to install but easy to reconfigure

- (d) Is difficult to install and difficult to reconfigure
(e) Has a point-to-point configuration.
6. In which of the following topologies, if a particular link fails it will not affect the other links? [< Answer >](#)
- I. Mesh topology.
II. Star topology.
III. Ring topology.
- (a) Only (I) above
(b) Only (II) above
(c) Both (I) and (II) above
(d) Both (I) and (III) above
(e) Both (II) and (III) above.
7. Ethernet is a widely used LAN technology developed by [< Answer >](#)
- (a) IBM
(b) Xerox
(c) GE
(d) Motorola
(e) AT&T.
8. Token ring is a LAN technology developed by [< Answer >](#)
- (a) IBM
(b) Xerox
(c) GE
(d) Motorola
(e) AT&T.
9. Which of the following statements is /are **false** about twisted-pair cables? [< Answer >](#)
- I. Twisted-pair cables are better shielded than coaxial cables.
II. Twisted-pair cables are less expensive than coaxial cables.
III. The data transfer rate for twisted-pair cables is high as compared to coaxial cables.
- (a) Only (I) above
(b) Both (I) and (II) above
(c) Both (I) and (III) above
(d) Both (II) and (III) above
(e) All (I), (II) and (III) above.
10. Which of the following network devices performs functions that are similar to those of a router, but is more powerful, and allows faster data transmission? [< Answer >](#)
- (a) Repeater
(b) Switch
(c) Hub
(d) Network Interface Card
(e) Bridge.
11. Which of the following statements is /are **true** about Network devices? [< Answer >](#)
- I. Repeaters are slower when compared to Bridges.
II. Repeaters are costlier than Bridges.
III. Bridge is used for connecting multiple network segments.
- (a) Only (III) above
(b) Both (I) and (II) above
(c) Both (I) and (III) above
(d) Both (II) and (III) above
(e) All (I), (II) and (III) above.
12. Which of the following layers are **not** present in TCP/IP reference model? [< Answer >](#)
- I. Session Layer.
II. Presentation Layer.
III. Data Link Layer.

IV. Transport Layer.

- (a) Both (I) and (II) above
 - (b) Both (I) and (III) above
 - (c) Both (II) and (III) above
 - (d) Both (III) and (IV) above
 - (e) (I), (II) and (III) above.
13. Vision Inc. uses OSI network architecture for communication with other systems. So which of the following layers of OSI reference model deals with the mechanical, electrical, procedural and functional characteristics of transmission? [< Answer >](#)
- (a) Transport Layer
 - (b) Session Layer
 - (c) Presentation Layer
 - (d) Network Layer
 - (e) Physical Layer.
14. Vision Inc. uses OSI network architecture for communication with other systems. Which of the following layers of OSI reference model performs text compression, security encryption on the message? [< Answer >](#)
- (a) Transport Layer
 - (b) Session Layer
 - (c) Presentation Layer
 - (d) Network Layer
 - (e) Physical Layer.
15. ATM breaks voice, video and data into fixed cells of 53 bytes. What is the size of data and header information respectively in each cell? [< Answer >](#)
- (a) 48 bytes, 5 bytes
 - (b) 49 bytes, 4 bytes
 - (c) 50 bytes, 3 bytes
 - (d) 47 bytes, 6 bytes
 - (e) 46 bytes, 7 bytes.
16. ADSL is an acronym for [< Answer >](#)
- (a) Asymmetric Data Subscriber Line
 - (b) Asymmetric Digital Subscriber Line
 - (c) Asymmetric Double Subscriber Line
 - (d) Asymmetric Direct Subscriber Line
 - (e) Asymmetric Delay Subscriber Line.
17. Which of the following is a process through which a system is designated for transmitting two or more signals simultaneously over the same channel? [< Answer >](#)
- (a) Multiplexing
 - (b) Networking
 - (c) Synchronizing
 - (d) Digitizing
 - (e) Modulation.
18. Which of the following is a technology that facilitates m-commerce? [< Answer >](#)
- (a) SMTP
 - (b) DLC
 - (c) WAP
 - (d) PPP
 - (e) NFS.
19. The media to interconnect the various components of a telecommunications network are basically classified into guided media and unguided media. Which of the following is/are unguided media? [< Answer >](#)
- (a) Twisted-pair wires
 - (b) Coaxial cables
 - (c) Cellular phone systems

- (d) Both (a) and (b) above
(e) Both (b) and (c) above.
20. Which of the following switching alternatives is used in regular landline telephone service? [< Answer >](#)
- (a) Message switching
(b) Packet switching
(c) Circuit switching
(d) Group switching
(e) Synchronous switching.
21. Telecommunication media refers to the various media over which data is transmitted and received. [< Answer >](#)
Which among the following telecommunication media is/are mostly used in star networks and hub networks?
- (a) Open wires
(b) Twisted-pair wires
(c) Coaxial cables
(d) Optical fibers
(e) Both (b) and (d) above.
22. The technology/technologies used in wireless LAN is/are [< Answer >](#)
- (a) Ultra violet LAN
(b) Infrared LAN
(c) Spread spectrum
(d) Both (a) and (c) above
(e) Both (b) and (c) above.
23. The MIS strategy set includes system objectives, system constraints and system design strategies. The [< Answer >](#)
basic purpose of MIS implementation is defined by the
- (a) System design
(b) System objectives
(c) System constraints
(d) Both (a) and (c) above
(e) Both (b) and (c) above.
24. In the empirical approach to MIS design, importance is given to [< Answer >](#)
- I. The environment in which the decisions are made.
II. The process of decision making.
III. The outcome of the decisions.
- (a) Only (I) above
(b) Both (I) and (II) above
(c) Both (I) and (III) above
(d) Both (II) and (III) above
(e) All (I), (II) and (III) above.
25. Which among the following statements is/are **true** regarding the process of evaluation in the MIS [< Answer >](#)
planning process?
- I. Evaluation helps in choosing the best design that matches with the organizational requirements.
II. Most of the evaluation techniques are very useful in long range planning of MIS.
III. Evaluation helps in evaluating the MIS planning with respect to the current data available.
- (a) Only (II) above
(b) Both (I) and (II) above
(c) Both (I) and (III) above
(d) Both (II) and (III) above
(e) All (I), (II) and (III) above.
26. Designing is the process of creating the physical structure of the MIS. Which among the following [< Answer >](#)
statements is/are **true** regarding the designing component of the MIS planning process?
- I. The process attempts to configure the required systems and subsystems, equipment, software, etc.
II. The process considers all possible constraints that can hinder the information flow across the departments.

- III. Designing has to take into account only the current informational requirements.
- (a) Only (III) above
 - (b) Both (I) and (II) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
27. John Buckley identified various approaches to MIS design. Model building is emphasized in which of the following approaches to MIS design? [< Answer >](#)
- (a) Traditional approach
 - (b) Problem based approach
 - (c) Shotgun approach
 - (d) Rational approach
 - (e) Empirical approach.
28. There are three different types of outsourcing relationships that can be identified between the buyer and the outsourcing vendor. Which of the following statements is/are **true** about Strategic outsourcing relationship? [< Answer >](#)
- (a) It is also called cash and carry relationship
 - (b) Both the buyer and the seller share the risks and rewards equally
 - (c) The buyer and the vendor lay down preferences and prices that will benefit each other
 - (d) The buyer purchases the products and/or services of the vendor considering the price and convenience factors
 - (e) Both (a) and (d) above.
29. In the MIS design process, which of the following statements is/are **false** regarding the normative model of the system? [< Answer >](#)
- I. The normative model is developed to get a view of the future operations and probable decisions that can be taken.
 - II. The normative model is used by analysts to amend the existing decision-making process to make it optimal in the future operations of the organization.
 - III. The normative model limits itself to the current operational information and does not provide informational insights into the future operations of the organization.
- (a) Only (III) above
 - (b) Both (I) and (II) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
30. John Buckley identified various approaches to MIS design. Which of the following approach is based on the marginal utility theory? [< Answer >](#)
- (a) Traditional approach
 - (b) Empirical approach
 - (c) Shotgun approach
 - (d) Rational approach
 - (e) Problem based approach.
31. Developing detailed technical designs and physical installation of networking and other facilities are responsibilities of [< Answer >](#)
- (a) Systems analysts
 - (b) Functional managers
 - (c) Operating team
 - (d) Both (a) and (b) above
 - (e) Both (a) and (c) above.
32. The MIS can be evaluated for the efficiency with which the allocated resources are utilized in the development/implementation. Which of the following are the performance measures to evaluate the efficiency of MIS implementation? [< Answer >](#)
- I. Compliance to systems development standards.
 - II. Customer satisfaction.

- III. Compliance to the schedule and variances if any.
IV. Amount and type of user involvement.
- (a) Both (I) and (II) above
(b) Both (I) and (III) above
(c) (I),(II) and (III) above
(d) (I),(III) and (IV) above
(e) All (I),(II) (III), (IV) above.
33. Which of the following statements is/are **true** regarding the change approach to MIS implementation? [< Answer >](#)
- I. The change approach can be seen in the second method of implementing MIS which emphasizes on the combined efforts of both systems analysts and the MIS users.
II. The approach mandates the active participation of the MIS users during the implementation process.
III. It emphasizes on creating an environment where organizational change is accepted through the active involvement and education of organizational members.
- (a) Only (II) above
(b) Both (I) and (II) above
(c) Both (I) and (III) above
(d) Both (II) and (III) above
(e) All (I), (II) and (III) above.
34. Which of the following statements is/are **false** about test description? [< Answer >](#)
- I. A test description should briefly and clearly identify the objective of the system and its ultimate goal.
II. A test description is derived from the test specification.
III. A test description contains details about the frequency with which data should be collected and the method of analysis to be used on the data.
IV. A test description contains details about the conditions under which the tests are to be performed.
- (a) Only (IV) above
(b) Both (I) and (III) above
(c) Both (II) and (III) above
(d) Both (II) and (IV) above
(e) (II),(III) and (IV) above.
35. “The functional heads in an organization can provide information on their respective functions like marketing, finance, HR, etc. The operating teams can provide important information that can help enhance the operating performance of the system.” This statement explains which of the following levels of involvement identified by Robert Zmud and James Cox? [< Answer >](#)
- (a) Influence
(b) Commitment
(c) Responsibility
(d) Consultation
(e) Conversion.
36. Which of the following provides the proof that the document came from a particular sender even when the recipient tries to deny that? [< Answer >](#)
- (a) Authentication
(b) Non-repudiation
(c) Confidentiality
(d) Integrity
(e) Audit trail.
37. Who defined Information Resource Management (IRM) as “the recognition by an organization that data and information are valuable resources and the application of the same principles of managing data and information as are used in managing physical resources such as personnel”? [< Answer >](#)
- (a) Schneymann
(b) Forest W. Horton
(c) Cornelius F. Burk

- (d) McLeod and Brittain-White
(e) Robert S. Kaplan and David Norton.
38. Under Section 802 (a) (1) of the Sarbanes-Oxley Act, organizations are required to store all records related to an audit for at least [< Answer >](#)
- (a) Five years
(b) One year
(c) Two years
(d) Three years
(e) Four years.
39. Which of the following is the ability of the computer to do anything for which it is programmed? [< Answer >](#)
- (a) Transformation factor
(b) Invisibility factor
(c) Logical malleability
(d) Modularity
(e) Durability.
40. Which of the following ISO 17799 control addresses the top management's support and commitment towards information security and its protection? [< Answer >](#)
- (a) Organizational security control
(b) Personnel security control
(c) Physical and environmental security control
(d) Security policy control
(e) Access control.
41. System development and maintenance control [< Answer >](#)
- (a) Addresses the ability of an organization to ensure that suitable information system security controls are incorporated as well as maintained
(b) Oversees the management's ability to battle interruptions and bring normality back in the operations
(c) Is designed to control the inherent human risks involved in human interactions with the information systems
(d) Takes care of establishing the organizational framework to formulate and execute strategies related to information security
(e) Both (a) and (b) above.
42. Before drawing up a Disaster Recovery Planning (DRP), the organization should identify and prioritize their functions based on whether they are critical, vital, sensitive, and non-critical. Which of the following statements is/are **false** regarding these functions? [< Answer >](#)
- I. Restoration of non-critical functions requires little time and cost.
II. The cost of disruption of vital functions is higher than the cost incurred in the disruption of the critical functions.
III. Sensitive functions can be easily carried out using manual methods and does not require additional staff.
IV. Critical functions can be replaced by manual methods.
- (a) Only (III) above
(b) (I), (II), (III) above
(c) (I), (II), (IV) above
(d) (I), (III), (IV) above
(e) (II), (III), (IV) above.
43. Which of the following statements is/are **false** with regard to working of digital certificates? [< Answer >](#)
- I. The working of digital certificates is based on private/public key technology.
II. Private key is kept secret while the public key is distributed among different users who want to communicate.
III. Any data encrypted by the public key can only be decrypted by the private key.
IV. Both private and public keys are similar.
- (a) Only (IV) above
(b) Both (I) and (II) above

- (c) Both (I) and (III) above
 (d) Both (II) and (IV) above
 (e) (I), (II) and (III) above.
44. The PGP combines both conventional and public key cryptography and hence it is called as hybrid [< Answer >](#) cryptosystem. Following are the steps involved while using Pretty Good Privacy (PGP).
- The secret key is encrypted to the recipients' public key.
 - A secret key is randomly generated.
 - The data gets compressed.
 - The secret key and an encryption algorithm encrypt the plain text.
- Which of the following options gives the **correct** sequence of steps that take place in PGP?
- ii-iii-i-iv
 - ii-iii-iv-i
 - ii-i-iv-iii
 - iii-ii-iv-i
 - iii-ii-i-iv.
45. Testing the Disaster Recovery Plan (DRP) is carried out in three phases: paper test, preparedness test [< Answer >](#) and post-test. Which of the following statements is/are **true** regarding these tests?
- A preparedness test constitutes activities like sending back the resources to the appropriate places, disconnecting the equipment, sending back the personnel and deleting all company data from third-party or backup systems.
 - Paper test is an abstract level testing which involves the major players in the executing team attempting to determine what might happen in case a particular type of disruption takes place.
 - A post-test is a smaller version of the full test in which the actual resources are expended while carrying out simulation during a system crash.
- Only (II) above
 - Both (I) and (II) above
 - Both (I) and (III) above
 - Both (II) and (III) above
 - All (I), (II) and (III) above.
46. A business model describes the value proposition, target customer segments, distribution channels, [< Answer >](#) customer relationships, value configurations, core capabilities, partner network, cost structure, revenue model, etc., of a business. Razor and Blades business model is also known as
- Tied products model
 - Pyramid Scheme model
 - Loyalty model
 - Freemium model
 - Clicks-and-flips model.
47. Which of the following business models entail establishing a store in a place where potential customers [< Answer >](#) are likely to shop and get a demonstration of a product or a service?
- Loyalty model
 - Bricks-and-clicks model
 - Cutting out middleman model
 - Shopkeeper model
 - Freemium model.
48. An American software development company realized that the Japanese users of the company's [< Answer >](#) software complained on finding a dollar sign in place of the yen in a financial report which was denominated in yen. This is a challenge faced by the company due to
- Problem of control
 - Trans-border flow of data
 - Geopolitical differences
 - Cultural differences
 - Varied set of skills.
49. Which of the following statements is/are **true** regarding transnational companies? [< Answer >](#)

- I. Transnational companies act immediately to the responses of the customers.
 - II. Transnational organizations are quick in diffusing innovation developed by the parent organization.
 - III. In transnational organizations, innovation and learning is a one-way process where the subsidiaries benefit from the innovation developed by the parent organization.
- (a) Only (III) above.
 - (b) Both (I) and (II) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
50. Which of the following statements is/are **true** regarding global companies? [< Answer >](#)
- I. In a global organization, the control at the center is very strong.
 - II. Global companies are highly efficient and flexible.
 - III. They usually take the overall global environment into consideration and carry out their operations.
- (a) Only (III) above
 - (b) Both (I) and (II) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
51. Which of the following statements is/are **false** regarding Project Management Information Systems (PMIS)? [< Answer >](#)
- I. PMIS reports always highlight the actual problems involved.
 - II. PMIS may provide an overdose of reporting and data representation.
 - III. The project manager or the top management will start depending excessively on the PMIS reports.
 - IV. PMIS equally cover all the project areas.
- (a) Only (I) above
 - (b) Only (II) above
 - (c) Both (I) and (II) above
 - (d) Both (I) and (IV) above
 - (e) Both (III) and (IV) above.
52. MaretSite and Ariba Network are examples of [< Answer >](#)
- (a) Translator hubs
 - (b) Broker hubs
 - (c) Collaboration hubs
 - (d) Aggregator hubs
 - (e) One-to-Many marketplaces.
53. Which of the following is a management discipline that defines the processes, methods, metrics and systems that are required for managing the business performance of the organization? [< Answer >](#)
- (a) Project Management
 - (b) Enterprise Resource Planning
 - (c) Customer Relationship Management
 - (d) Corporate Performance Management
 - (e) Supply Chain Management.
54. POTS stands for [< Answer >](#)
- (a) Plain Optical Transfer Service
 - (b) Public Optical Technology Server
 - (c) Plain Old Telephone Service
 - (d) Plain Old Television Service
 - (e) Public Old Television Service.
55. In 2004, CRY deployed an Enterprise Resource Planning (ERP) system developed by [< Answer >](#)
- (a) IBM
 - (b) Agni software Private Limited
 - (c) People Soft

- (d) Tera software Private Limited
(e) G.E.
56. Traditional or brick-and-mortar businesses were product-centric, with companies competing on the [basis of](#) [< Answer >](#)
- I. Product differentiation.
II. Innovation.
III. Customers.
- (a) Only (I) above
(b) Only (II) above
(c) Both (I) and (II) above
(d) Both (I) and (III) above
(e) All (I), (II) and (III) above.
57. Which of the following model is also known as e-administration? [< Answer >](#)
- (a) G2B model
(b) G2G model
(c) C2G model
(d) G2C model
(e) B2B model.
58. City-specific websites like www.ci.boston.ma.us and www.cityofchicago.org etc. in the US are some of the [< Answer >](#)
- (a) G2C websites
(b) G2G websites
(c) C2G websites
(d) G2B websites
(e) B2B websites.
59. In which of the following, the suppliers attempt to eliminate the number of intermediaries between themselves and the final customer? [< Answer >](#)
- (a) Blurring
(b) Cross-industry competence
(c) Reintermediation
(d) Disintermediation
(e) Gatekeeper model.
60. Which of the following statements is/are **true** with regard to the B2C websites? [< Answer >](#)
- I. It is insecure for online payments.
II. There is scope for fraudulent practices.
III. It is difficult to access.
- (a) Only (III) above
(b) Both (I) and (II) above
(c) Both (I) and (III) above
(d) Both (II) and (III) above
(e) All (I), (II) and (III) above.
61. The e-supply chain comprises of five components. Which of the following is **not** a component of e-supply chain? [< Answer >](#)
- (a) Collaborative replenishment
(b) Collaborative planning
(c) Collaborative product development
(d) E-Procurement
(e) Supply chain replenishment.
62. Which of the following statements is/are **true**? [< Answer >](#)
- I. Assemble-to-order strategy is generally adopted in a highly volatile environment where customers' preferences change drastically and rapidly.
II. In make-to-order strategy, a tentative estimate of the requirements is prepared and the inventory of components and subassemblies is maintained accordingly.

- III. Integrated make-to-stock is suitable for a mass-production environment.
- (a) Only (III) above
 - (b) Both (I) and (II) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
63. The tools used by organizations for establishing real-time communication with the suppliers are [< Answer >](#)
- I. Vendor Managed Inventory.
 - II. Advanced Planning and Optimization.
 - III. ERP systems.
 - IV. CPFR (Collaborative Planning, Forecasting and Replenishment).
- (a) Both (I) and (IV) above
 - (b) (I),(II) and (III) above
 - (c) (I),(III) and (IV) above
 - (d) (II),(III) and (IV) above
 - (e) All (I), (II), (III) and (IV) above.
64. In the supply chain execution process, factors like time, quantity and location with regard to sub-assemblies is determined by [< Answer >](#)
- I. Master production schedule.
 - II. Manufacturing resource planning system.
 - III. Replenishment.
 - IV. Distribution management.
- (a) Both (I) and (II) above
 - (b) (I),(II) and (III) above
 - (c) (I),(III) and (IV) above
 - (d) (II),(III) and (IV) above
 - (e) All (I), (II), (III) and (IV) above.
65. Which of the following companies adopts a build-to-order strategy? [< Answer >](#)
- (a) IBM
 - (b) Acer
 - (c) Compaq
 - (d) Dell
 - (e) Both (b) and (d) above.
66. Which of the following is/are **not true** regarding integrated make-to-stock model of supply chain management? [< Answer >](#)
- I. Production is based on forecasted demand.
 - II. Companies wait for customers to place orders.
 - III. The latest trend in make-to-stock is to assemble the final product in the distribution channel.
- (a) Only (I) above
 - (b) Only (II) above
 - (c) Only (III) above
 - (d) Both (I) and (II) above
 - (e) All (I), (II) and (III) above.
67. In supply chain processes, the relationship between the company and the supplier of direct or indirect material is called [< Answer >](#)
- (a) Strategic relationship
 - (b) Commodity-based relationship
 - (c) Go-to-the-market relationship
 - (d) Non-Strategic relationship
 - (e) Go-to-the-product relationship.
68. Organizations are well-equipped with sophisticated optimization tool like Rhythm from i2 technologies. [< Answer >](#)
So optimization tools help organizations to

- I. Predict demand.
 - II. Convey inventory levels.
 - III. Solve transportation problems.
 - (a) Only (I) above
 - (b) Only (II) above
 - (c) Only (III) above
 - (d) Both (I) and (II) above
 - (e) All (I), (II) and (III) above.
69. The type of inter-enterprise integration aims to bring about changes in the supply chain in response to [< Answer >](#) changes in customer demand as quickly as possible is
- (a) Non-responsive supply chain
 - (b) Enterprising supply chain
 - (c) Responsive supply chain
 - (d) Intelligent supply chain
 - (e) Non-intelligent supply chain.
70. The integration of suppliers and business partners into a single manufacturing entity is known as [< Answer >](#)
- (a) E-supply chain
 - (b) Supply chain replenishment
 - (c) Extraprise supply network
 - (d) E-procurement
 - (e) Continuous replenishment.
71. The time lag between the date of placing an order for a particular product and the date of receiving the [< Answer >](#) product is known as
- (a) Lead time
 - (b) Cycle time
 - (c) Grace time
 - (d) Finishing time
 - (e) Minimum time.
72. In Supply Chain Execution, which of the following activities comes under Replenishment process? [< Answer >](#)
- I. Aggregate inventory planning.
 - II. Capacity planning.
 - III. Forecasting.
 - IV. Allocating inventory prioritize orders.
 - (a) Both (I) and (III) above
 - (b) Both (II) and (III) above
 - (c) (I),(II) and (III) above
 - (d) (I),(III) and (IV) above
 - (e) (II), (III) and (IV) above.
73. ARIS (Architecture of Integrated Information System) developed by Prof. A.W. Scheer of the IWI [< Answer >](#) University of Saarland, Germany is the most widely used method for an integrated process view. According to the ARIS framework which of the following view is also called control view?
- (a) Data view
 - (b) Function view
 - (c) Organization view
 - (d) Process view
 - (e) Program view.
74. The time gap between the receipt of the order and the delivery of the product is called [< Answer >](#)
- (a) Lead time
 - (b) Cycle time
 - (c) Grace time
 - (d) Finishing time
 - (e) Response time.
75. Which of the following statements is/are **true** about Enterprise Resource Planning? [< Answer >](#)

- I. It is a software application that integrates various functions.
 - II. ERP uses the function view of the organization.
 - III. ERP improves consistency and integrity of data.
- (a) Only (I) above
 - (b) Only (III) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
76. Organizations, generally classify their suppliers into categories. In the procurement process, the less [critical and strategic materials](#) are procured from [< Answer >](#)
- (a) Certified suppliers
 - (b) Approved suppliers
 - (c) Probationary suppliers
 - (d) Both (a) and (b) above
 - (e) Both (b) and (c) above.
77. Which of the following statements is/are **false** with regard to the big bang approach of ERP [implementation](#)? [< Answer >](#)
- I. Most organizations prefer big bang approach because the risks can be controlled more easily in this approach.
 - II. Forces employees to cope with change quickly.
 - III. Big bang approach calls for rapid realignment of processes, greater commitment from the organization in terms of time and resources and greater cooperation from employees in terms of longer hours of work.
- (a) Only (I) above
 - (b) Only (III) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
78. Which of the following statements is/are **false** with regard to the phased approach implementation? [< Answer >](#)
- I. It requires greater commitment from organization in terms of time and resources.
 - II. It implements one stage at a time.
 - III. Most organizations prefer phased approach because the risks can be controlled in more easily this approach.
- (a) Only (I) above
 - (b) Only (III) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
79. There are different approaches used to produce flexible products. Which of the following approach [enables organizations to configure from scratch, the products that meet customer specifications and offer highly customized products](#)? [< Answer >](#)
- (a) Assemble-to-order approach
 - (b) Engineer-to-order approach
 - (c) Simulation approach
 - (d) Big bang approach
 - (e) Phased approach.
80. Which of the following links all independent applications in a network enabling the network to create [custom composite applications](#)? [< Answer >](#)
- (a) Service Oriented Architecture
 - (b) Application Business Intelligence
 - (c) Application programming interface
 - (d) Data schemes
 - (e) XERP.
81. When the Application Business Intelligence software supplements the transactional software systems, [< Answer >](#)

the benefit(s) delivered is/are

- I. Quick data extraction.
- II. Maintaining up-to-date information.
- III. Increase ease in usage by the business users.

- (a) Only (I) above
- (b) Only (III) above
- (c) Both (I) and (III) above
- (d) Both (II) and (III) above
- (e) All (I), (II) and (III) above.

82. The implementation of ERP across the organization would bring changes in

[< Answer >](#)

- I. Roles of employees.
- II. Authority of employees.
- III. Responsibilities of employees.
- IV. Skill sets of employees.

- (a) Both (I) and (III) above
- (b) Both (II) and (III) above
- (c) (I),(II) and (III) above
- (d) (I),(III) and (IV) above
- (e) (I),(II), (III) and (IV) above.

83 The maintenance of ERP system is done with various tools. Which of the following are tasks of the use-management tool? [< Answer >](#)

- I. It helps the management to monitor the performance of various ERP applications.
- II. It manages the applications when they are being accessed by users.
- III. It manages inventory and assets, configures software, modifies applications when needed and distributes software.
- IV. It schedules jobs, monitors events, data output, backup and recovery.

- (a) Both (I) and (II) above
- (b) Both (I) and (III) above
- (c) Both (II) and (III) above
- (d) Both (II) and (IV) above
- (e) Both (III) and (IV) above.

84. The maintenance of ERP system is done with various tools. Which of the following are **not** the tasks of the system administration tool? [< Answer >](#)

- I. It schedules jobs, monitors events, data output, backup and recovery.
- II. It manages inventory and assets, configures software, modifies applications when needed, and distributes software.
- III. It manages the network and systems for ERP.
- IV. It manages the applications when they are being accessed by users.

- (a) Both (I) and (II) above
- (b) Both (I) and (IV) above
- (c) Both (II) and (IV) above
- (d) Both (III) and (IV) above
- (e) (I), (II) and (IV) above.

85. One of the biggest advantages that application BI tools provide is the extraction of data from transactional systems like ERP and CRM. Which of following are preconfigured in an Application Business Intelligence Suite to enhance the speed of data extraction? [< Answer >](#)

- I. Data schemas.
- II. Application Programming Interfaces (APIs).
- III. Security mechanisms.
- IV. Business logic.

- (a) Both (I) and (III) above
- (b) Both (II) and (III) above
- (c) (I), (II) and (III) above
- (d) (I), (III) and (IV) above

- (e) (I), (II), (III) and (IV) above.
86. ARIS (Architecture of Integrated Information System) developed by Prof. A.W. Scheer of the IWI [< Answer >](#)
University of Saarland, Germany is the most widely used method for an integrated process view.
According to the ARIS framework, which of the following views looks at all the departments and the
people working in it?
- (a) Data view
 - (b) Function view
 - (c) Organization view
 - (d) Process view
 - (e) Program view.
87. By using which of following feature(s) in the ERP package, the organization can quickly meet any [< Answer >](#)
demand for changes in the specifications and deliver the product on time to the customer?
- (a) Simulation features
 - (b) ARIS
 - (c) Engineering Change Control System
 - (d) Both (a) and (b) above
 - (e) Both (a) and (c) above.
88. Many organizations invest in ERP systems for the alignment of processes. Which of the following [< Answer >](#)
statements are **true** about ERP?
- I. It integrates HR & finance functions.
 - II. It integrates finance & distribution functions.
 - III. It integrates all aspects of the HR function.
 - IV. It integrates sales & marketing functions.
- (a) Both (I) and (III) above
 - (b) Both (II) and (III) above
 - (c) (I),(II) and (III) above
 - (d) (I),(III) and (IV) above
 - (e) (I), (II), (III) and (IV) above.
89. Developing architecture for the ERP system is an important activity in an ERP project. The ERP [< Answer >](#)
architecture should include
- I. All interconnections and interdependencies of business functions.
 - II. Goals, objectives and strategies of the organization.
 - III. All the business processes in the organization.
- (a) Only (I) above
 - (b) Only (III) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
90. Which of the following statements is/are **false** with regard to Extended ERP (XERP)? [< Answer >](#)
- I. A majority of XERP customers are well aware about how they can generate higher returns on
investments (RoI) just by connecting applications or partners.
 - II. A single vendor would find it difficult to address the different pain points for different companies.
 - III. Most XERP application customers are interested in opting for a more focused solution that
answers the specific problems faced by their organizations.
- (a) Only (I) above
 - (b) Only (III) above
 - (c) Both (I) and (III) above
 - (d) Both (II) and (III) above
 - (e) All (I), (II) and (III) above.
91. Which of the following statements are **false** with regard to e-CRM tool used for personalization of [< Answer >](#)
products and services?
- I. Rules based software is used for cross-selling.
 - II. Rules based software keeps track of products/services that an online visitor has browsed.

- III. Tracking customer behavior and grouping customers exhibiting similar behavior is possible through rules based software.
- IV. Rules based personalization is used for selling all products and services.
- (a) Both (I) and (II) above
- (b) Both (III) and (IV) above
- (c) (I),(II) and (III) above
- (d) (I),(III) and (IV) above
- (e) (II), (III) and (IV) above.
- 92.** Organizations are looking for ways to personalize online experiences of customers through e-CRM tools such as [< Answer >](#)
- I. E-mail organizers.
- II. Help-desk software.
- III. Web development applications.
- (a) Only (I) above
- (b) Only (III) above
- (c) Both (I) and (III) above
- (d) Both (II) and (III) above
- (e) All (I), (II) and (III) above.
- 93.** The element(s) of the retention management component in e-CRM that helps customer segmentation is/are [< Answer >](#)
- I. Help-desk software.
- II. Web development applications.
- III. Decision Support System.
- (a) Only (I) above
- (b) Only (II) above
- (c) Only (III) above
- (d) Both (I) and (III) above
- (e) All (I), (II) and (III) above.
- 94.** Which of the following feature(s) is/are included in a well established e-CRM infrastructure? [< Answer >](#)
- I. It manages several customer contact points separately.
- II. It defines new business processes & data.
- III. It adds new system applications & components.
- IV. It supports multiple users simultaneously.
- (a) Only(I) above
- (b) Both (II) and (III) above
- (c) (I), (II) and (III) above
- (d) (II), (III) and (IV) above
- (e) All (I), (II), (III) and (IV) above.
- 95.** Which of the technologies enable a computer to accept incoming calls and route them to the appropriate device/person? [< Answer >](#)
- (a) Data warehouse
- (b) OLAP
- (c) CTI systems
- (d) Data mining
- (e) Decision support technology.
- 96.** Capturing, sharing and storing of customer information through electronic means and making it accessible to the entire organization is called [< Answer >](#)
- (a) Content management
- (b) Contact management
- (c) Information sharing
- (d) Information capturing
- (e) Information storing.

97. E-CRM has several components. Which of the following are components of e-CRM?

[< Answer >](#)

- I. Cross-selling & up-selling software.
 - II. Direct marketing & fulfillment.
 - III. Customer support and service.
 - IV. Retention management software.
- (a) Both (I) and (III) above
 - (b) Both (II) and (III) above
 - (c) (I),(II),(III) above
 - (d) (II),(III),(IV) above
 - (e) All (I), (II), (III) and (IV) above.

98. Based on spending habits, customers can be classified into various types of loyalists. In this context, Which of the following statements is/are **true**?

[< Answer >](#)

- I. Deliberate loyalists are those who are not willing to take pains to shift to new products.
 - II. Emotional loyalists are those who have an emotional attachment with the brand.
 - III. Inert loyalists are those who are more likely to switch.
- (a) Only (I) above
 - (b) Only (II) above
 - (c) Only (III) above
 - (d) Both (I) and (III) above
 - (e) All (I), (II) and (III) above.

99. Dell Computers have taken several steps to develop customer relationships online. Which of the following feature offers querying facilities?

[< Answer >](#)

- (a) Raise Query
- (b) Query Talk
- (c) Ask Dudley
- (d) Query Maintenance
- (e) Clarify Query.

100. Dell Computers have taken several steps to develop customer relationships online. Dell conducts a live chat called

[< Answer >](#)

- (a) Virtual meeting
- (b) Open message system
- (c) Chat with Dell
- (d) Breakfast with Dell
- (e) Dell talk.

Suggested Answers

Information Technology and Systems - II (MB232): July 2007

1. Answer : (b) [<TOP>](#)
Reason: First two statements are false. Only 3rd statement is true. Point-to-point networks are usually used to cover large areas. Broadcast networks usually cover small areas. Point-to-point networks are also called unicast or one-to-one networks. So option (b) is answer.
2. Answer : (e) [<TOP>](#)
Reason : All the statements given for VPNs are true. It offers better security. VPNs use virtual connections which are routed through the internet from the company's network to the remote area. VPNs transfer information by encrypting and encapsulating it into data packets and send the packets over the internet. So option (e) is answer.
3. Answer : (d) [<TOP>](#)
Reason: Examples for peer-to-peer network are AppleShare, Windows 95, Windows 98, Windows for Workgroups, Windows Me and Home Editions. Examples of server operating systems are Solaris, Linux, Windows NT and Netware. So option (d) is answer.
4. Answer : (c) [<TOP>](#)
Reason: The bus topology uses less cabling than star, tree, mesh, hybrid topology. In order to reduce the cost in cabling the company should use bus topology. So option (c) is answer.
5. Answer : (b) [<TOP>](#)
Reason: Bus topology is easy to install but difficult to reconfigure. A bus topology has a multipoint configuration. So option (b) is answer.
6. Answer : (c) [<TOP>](#)
Reason: In mesh topology, every device is connected with every other device through a point-to-point link. Even if a particular link becomes useless, it will not affect the entire system. In star topology, each device is connected to a centrally located hub through a point-to-point link. If a particular link fails, it will not affect the other links. In a ring topology, each device is linked to two devices on either side of it through a dedicated point-to-point connection. Any small rupture in the ring would disable the whole network. So option (c) is answer.
7. Answer : (b) [<TOP>](#)
Reason: Ethernet is a widely used LAN technology developed by Xerox. So option (b) is answer.
8. Answer : (a) [<TOP>](#)
Reason: Token ring, a LAN technology developed by IBM. So option (a) is answer.
9. Answer : (a) [<TOP>](#)
Reason: The first statement is false, remaining two statements are true about cabling. Coaxial cables are better shielded than twisted pair cables and can therefore be used to cover longer distances. Twisted-pair cables have become more popular than coaxial cables because they are less expensive and transfer data at higher rate (100 mbps) than coaxial cables (10 mbps). So option (a) is answer.
10. Answer : (b) [<TOP>](#)
Reason: Switch performs similar function to those of a router, but is more powerful, and allows faster data transmission. So option (b) is answer.
11. Answer : (a) [<TOP>](#)
Reason: The third statement is true; remaining statements are false about network devices. When compared to repeaters, bridges are slower, as they do some extra processing. Bridges are costlier than repeaters. Bridge is used for connecting multiple network segments. So option (a) is answer.
12. Answer : (e) [<TOP>](#)
Reason: The layers not present in TCP/IP reference model are session, presentation, data link layer. So option (e) is correct answer.
13. Answer : (e) [<TOP>](#)
Reason: Physical layer deals with the mechanical, electrical, procedural, and functional

characteristics of transmission. So option (e) is correct answer.

14. Answer : (c) [<TOP>](#)
Reason: The presentation layer, also referred to as the syntax layer, provides appropriate data transmission formats and codes. It performs text compression, code conversion, or security encryption on the message. So option (c) is answer.
15. Answer : (a) [<TOP>](#)
Reason: ATM breaks voice, video and data into fixed cells of 53 bytes. The size of data and header information in each cell is 48 bytes and 5 bytes respectively. So option (a) is answer.
16. Answer : (b) [<TOP>](#)
Reason: ADSL is an acronym for Asymmetric Digital Subscriber Line. So option (b) is answer.
17. Answer : (a) [<TOP>](#)
Reason : Multiplexing is a process through which a system is designated for transmitting two or more signals simultaneously over the same channel. The technique used for long distance transmission to reduce the cost is multiplexing. So option (a) is answer.
18. Answer : (c) [<TOP>](#)
Reason: Mobile commerce systems, also known as m-commerce, are a form of electronic commerce in which products and/or services are bought and sold through wireless handheld devices like cell phones or personal digital assistants using the Internet. The Wireless Application Protocol (WAP) is the technology that facilitates m-commerce. So option (c) is answer.
19. Answer : (c) [<TOP>](#)
Reason: Unguided media, also called unbound media or wireless media, are media through which transmission and reception takes place through an antenna. This type of a medium has a means for the signals to travel. However, the signals are not guided through a specific path. In other words, the data signals are not bound by a cabling system as in guided media. These include terrestrial microwaves, communication satellites, cellular phone systems, and wireless LANs, which use microwave and other radio waves. So option (c) is answer.
20. Answer : (c) [<TOP>](#)
Reason: A regular landline telephone service works on circuit switching. So option (c) is the answer.
21. Answer : (b) [<TOP>](#)
Reason: Twisted-pair wires are the transmission medium that is mostly used in star and hub networks. A twisted-pair wire consists of copper wires twisted into a pair. The wires are twisted together to reduce noise. Such networks can transmit both voice and data. So option (b) is answer.
22. Answer : (e) [<TOP>](#)
Reason: A wireless LAN enables users to move around with a computer or a device and stay connected to the network. Infrared LAN is a wireless LAN that makes use of infrared rays to establish network links between the various LAN components. Spread spectrum is the technology widely used in wireless LANs. This technology is based on radio waves which facilitate communication between computer systems or devices within a limited area. So option (e) is answer.
23. Answer : (b) [<TOP>](#)
Reason: The components of MIS strategy set include system objectives, system constraints and system design strategies. The basic purpose of MIS is defined by the system objectives. To make the MIS implementation effective, it is necessary to identify the constraints associated with MIS. So option (b) is answer.
24. Answer : (e) [<TOP>](#)
Reason: In the empirical approach to MIS design, scientific observations of decision makers at work are considered while designing an MIS. It focuses on how a manager behaves while making a decision. In this approach, importance is given to the environment in which decisions are made, the decision process, and the outcome of decisions. So option (e) is answer.

25. Answer : (c) [<TOP>](#)
Reason: Both (I) and (III) are true regarding the process of evaluation in the MIS planning process. i.e Evaluation helps in choosing the best design that matches with the organizational requirements. Evaluation helps in evaluating the MIS planning with respect to the current data available. Evaluation is the process of determining the effectiveness of MIS. It helps in choosing the best design that matches the organizational requirements. Most of the evaluation techniques do not take into account the long range planning of MIS. Therefore, the process may prove to be redundant in long range MIS planning. So option (c) is the answer.
26. Answer : (b) [<TOP>](#)
Reason: Designing is the process of creating the physical structure of the MIS. The process attempts to configure required systems and subsystems, equipment, software, etc. The process of designing has to take into account the current as well as the future informational requirements. The process considers all the possible constraints that can hinder the information flow across the departments. So option (b) is the answer.
27. Answer : (d) [<TOP>](#)
Reason: Rational approach is an improvement to the shotgun and traditional approaches. It incorporates decision-making process in the MIS design, though in an abstract form. This approach to MIS design emphasizes rationality and model building. So option (d) is answer.
28. Answer : (b) [<TOP>](#)
Reason: In outsourcing, the organization gives away or outsources the responsibility of developing an information system to another company. There are three types of outsourcing relationships – basic outsourcing relationship, preferred outsourcing relationship, and strategic outsourcing relationship. In strategic outsourcing relationship, both the buyer and the seller share the risks and rewards equally. However, very few organizations go for this kind of relationship. So option (b) is answer.
29. Answer : (a) [<TOP>](#)
Reason: A normative model is developed to get a view of the future operations and probable decisions that can be taken. Analysts use the normative model to amend the existing decision-making process to make it optimal in the future operations of the organization. This requires restructuring the organizational hierarchy in terms of authority and responsibility. A descriptive model limits itself to the current operational information and does not provide informational insights into future operations of the organization. So option (a) is answer.
30. Answer : (b) [<TOP>](#)
Reason: The empirical approach is based on the marginal utility theory. Based on this theory, the approach tries to improve the marginal effectiveness of the best decision-makers in the organization instead of enhancing the efficiency of all the decision-makers. So option (b) is answer.
31. Answer : (a) [<TOP>](#)
Reason: Responsibility is the acceptance of the obligations of the MIS implementation process and performing them successfully. The system analysts develop detailed technical designs and look after the physical installation of networking and other facilities. So option (a) is answer.
32. Answer : (d) [<TOP>](#)
Reason : The various performance measures for MIS implementation are compliance to systems development standards (for program design, database design, testing, etc.), compliance to the schedule and variances if any, amount of user involvement and type of user involvement, and expenditures incurred in MIS training. So option (d) is answer.
33. Answer : (e) [<TOP>](#)
Reason: All statements are **true** regarding the change approach to MIS implementation. The change approach can be seen in the second method of implementing MIS which emphasizes on the combined efforts of both systems analysts and the MIS users. The approach mandates the active participation of the MIS users during the implementation process. It emphasizes on creating an environment where organizational change is

accepted through the active involvement and education of organizational members. So option (e) is answer.

34. Answer : (e) [<TOP>](#)
Reason: A test description should briefly and clearly identify the objective of the system and its ultimate goal. The test specification is derived from the test description and contains details about the conditions under which the tests are to be performed, the duration of the test, the methodologies and procedures to be followed in testing, the data that is relevant for testing, the frequency with which data should be collected and the method of analysis to be used. So option (e) is answer.
35. Answer : (d) [<TOP>](#)
Reason: Consultation is one of the four levels of involvement identified by Robert Zmud and James Cox. It refers to responding to the inquiries and providing advice and suggestions in the areas in which the members are experts. For example, the functional heads can provide information on their respective functions like marketing, finance, HR, etc. Operating teams can provide important information that can help enhance the operating performance of the system. So option (d) is answer.
36. Answer : (b) [<TOP>](#)
Reason: Non-repudiation provides the proof that the document came from a particular sender even when the recipient tries to deny that. So option (b) is answer.
37. Answer : (d) [<TOP>](#)
Reason: The concept of BSC(Balanced Scorecard) was introduced by Robert S. Kaplan and David Norton in 1992. Schneymann defined IRM as “the management (planning, organization, operations, and control) of the resources (human and physical) concerned with the systems support (development, enhancement, and maintenance) and the servicing (processing, transformation, distribution, storage and retrieval) of information (data, text, voice, image) for an enterprise.” McLeod and Brittain-White defined IRM as “the recognition by an organization that data and information are valuable resources and the application of the same principles of managing data and information as are used in managing physical resources such as personnel.” Forest W. Horton, Cornelius F. Burk in their book “InfoMap: A Complete Guide to Discovering Corporate Information Resources” defined IRM as “the process within the information management arena that serves the corporate interest. IRM seeks to harness information for the benefit of the organization as a whole by exploiting, developing, and optimizing information resources. The interests of the organization are usually manifested by its corporate goals and objectives. Thus, IRM is the managerial link that connects corporate information resources with the organization's goals and objectives.” So option (d) is answer.
38. Answer : (a) [<TOP>](#)
Reason: Under Section 802 (a) (1) of the SOX Act, organizations were required to store all records related to an audit for at least five years. To comply with such rules of the SOX Act, it was important that the chief financial officer (CFO) of the organization had easy access to this information. Manual storage and maintenance of the data for five years was a difficult task and thus the need arose for an efficient IT system that could store a large amount of data for any period of time. This increased the importance of having robust IT systems and IT executives to manage them. So option (a) is answer.
39. Answer : (c) [<TOP>](#)
Reason: Logical malleability is the ability of the computer to do anything for which it is programmed. So option (c) is answer.
40. Answer : (d) [<TOP>](#)
Reason: Security policy control is one of the most important controls. This control addresses the top management’s support and commitment toward information security and its protection. It also encompasses the policy level initiatives that the top management takes and implements so as to achieve the goals of information security. So option (d) is answer.
41. Answer : (a) [<TOP>](#)
Reason: System development and maintenance control addresses the ability of an organization to ensure that suitable information system security controls are incorporated as well as maintained. This control includes a set of standards and procedures that govern the development and use of security controls in an organization. So option (a) is answer.

42. Answer : (e) [<TOP>](#)
Reason: Except statement 1, all are false. The true statements are Critical functions cannot be replaced by manual methods, Sensitive functions can be difficult to be carried out using manual methods and requires additional staff. The cost of disruption of vital functions is lower than the cost incurred in the disruption of the critical functions, Restoration of non-critical functions requires little time and cost. So option (e) is answer.
43. Answer : (a) [<TOP>](#)
Reason: The working of digital certificates is based on private/public key technology. Each of these keys is a unique encryption device. As two keys are never similar, these keys can be used to find user identity. These keys always work in pairs. The private key is kept secret while the public key is distributed among different users who want to communicate. Whatever data is encrypted by the public key can only be decrypted by the private key. So option (a) is answer.
44. Answer : (d) [<TOP>](#)
Reason: A good example of a cryptosystem is the Pretty Good Privacy (PGP). As PGP combines both conventional and public key cryptography, it can be called a hybrid cryptosystem. While using PGP, the data first gets compressed, thus saving time and disk space. The most important benefit of such compression is the enhancing of cryptographic security. Compression makes it more difficult for attackers to decipher the text. The PGP then creates a secret key that is randomly generated and is used only once. The secret key in combination with the encryption algorithm encrypts plain text. After data encryption, the secret key is encrypted to the recipients' public key. This, along with the cipher text, is sent to the recipient. So option (d) is answer.
45. Answer : (a) [<TOP>](#)
Reason: In paper test, the plan is tested when it is still on the paper. It is an abstract level testing which involves the major players in the executing team attempting to determine what might happen in case a particular type of disruption takes place. The preparedness test is a smaller or localized version of the full test and is carried out after the first phase of DRP testing. In this test, the actual resources are expended while carrying out simulation during a system crash. It is performed regularly on various aspects of the plan and is a cost-effective way to gradually obtain evidence about the effectiveness of the plan. It also provides ways to enhance the plan in stages. A post-test constitutes a group of activities that are to be carried out after the occurrence of the disruptive event. These activities include sending back the resources to the appropriate places, disconnecting the equipment, sending back the personnel, and deleting all company data from third-party or backup systems. So option (a) is answer.
46. Answer : (a) [<TOP>](#)
Reason: A business model describes the value proposition, target customer segments, distribution channels, customer relationships, value configurations, core capabilities, partner network, cost structure, revenue model, etc., of a business. Razor and Blades Model (also known as Bait and Hook model or Tied Products model). So option (a) is answer.
47. Answer : (d) [<TOP>](#)
Reason: The shopkeeper model is the oldest and the most basic business model, which entailed establishing a store in a place where potential customers were likely to shop and get a demonstration for a product or a service. So option (d) is answer.
48. Answer : (d) [<TOP>](#)
Reason: Organizations face certain cultural challenges while operating in the global business environment. These challenges are due to the differences in religion, customs, social attitudes, language, working styles, working relationships etc. An American software development company realized that the Japanese users of the company's software complained on finding a dollar sign in place of the yen in a financial report which was denominated in yen. This is a challenge faced by the company due to Cultural differences. So option (d) is answer.
49. Answer : (b) [<TOP>](#)
Reason: Transnational companies are globally very efficient. They act immediately in response to customers and are quick in diffusing the innovation developed by the parent organization. In transnational organizations, innovation and learning is a two-way process where both

the parent organization and the subsidiaries benefit from each other. So option (b) is answer.

50. Answer : (c) [<TOP>](#)
Reason: In a global organization, the control at the center is very strong. This control in turn results in standardized procedures throughout the world that enables the company to reap the benefits of economies of scale. In these organizations, all the strategic and operational decisions are centralized. Global companies enjoy cost advantages as they have centralized operations. However, their transportation costs are huge and they have to deal with the exchange rate risks. These companies are highly efficient but are not flexible. They usually take the overall global environment into consideration and carry out their operations. So option (c) is answer.
51. Answer : (d) [<TOP>](#)
Reason: PMIS reports might not always highlight the actual problems involved, which is a disadvantage. PMIS does not equally cover all the project areas. So option (d) is answer.
52. Answer : (a) [<TOP>](#)
Reason: Translator hubs are exchanges that offer capabilities like buying, selling, and collaboration. These exchanges are similar to collaboration hubs. They provide data translation services to facilitate communication including EDI, electronic mail, fax, eXtensible Markup Language. MarketSite from Commerce One and Ariba Network from Ariba are examples of translator hubs. So option (a) is answer.
53. Answer : (d) [<TOP>](#)
Reason: Corporate Performance Management (CPM) is a management discipline that defines the processes, methods, metrics, and the systems that are required for managing the performance of an organization. It is sometimes referred to as business performance management (BPM). So option (d) is answer.
54. Answer : (d) [<TOP>](#)
Reason: The Public Switched Telephone Network or PSTN was the first telecom network. The PSTN telephone lines used analog technology. In this network system, copper wires carry the transmitted data in the form of electrical pulses from one end to another. PSTN ensures good audio quality over the network. The service provided by the PSTN is called the plain old telephone service (POTS). So option (d) is answer.
55. Answer : (b) [<TOP>](#)
Reason: In 2004, CRY deployed an Enterprise Resource Planning (ERP) system developed by Agni Software Private Limited to manage the operations related to its donations, financials, contacts, and volunteers. So option (b) is answer.
56. Answer : (c) [<TOP>](#)
Reason : Traditional or brick-and-mortar businesses were product-centric, with companies competing on the basis of product differentiation and innovation. So option (c) is answer.
57. Answer : (b) [<TOP>](#)
Reason : Government-to-Government (G2G) is also known as e-administration. It aims at cutting costs and improving government processes by interconnecting government departments. This involves connecting all government offices, departments, and district headquarters with each other and with the secretariat so that information is shared by all. So option (b) is answer.
58. Answer : (d) [<TOP>](#)
Reason : The Government-to-Business (G2B) initiatives provide a platform for businesses to interact with government. The government websites provide companies with access to the rules and regulations regarding exports and imports and other laws governing businesses. They also provide forms that are required to be submitted in order to comply with the government rules. On the whole, these websites provide total government-wide information related to business and reduce the burden of contacting various government officials for relevant information on businesses. City-specific websites like www.ci.boston.ma.us (Boston), www.cityofchicago.org (Chicago), www.vipnet.org (Virginia), www.calgold.cagov (California), etc. in the US are some of the G2B websites. So option (d) is answer.
59. Answer : (d) [<TOP>](#)

- Reason: In disintermediation, the suppliers attempt to eliminate the number of intermediaries between themselves and the final customer. So option (d) is answer.
60. Answer : (e) [<TOP>](#)
- Reason : B2C websites have to overcome problems like the lack of security of online payments, the scope for fraud, the lack of privacy, and difficulty in access. More customers can be attracted to these sites by offering personalization, making navigation easy, and providing easy-to-use applications. In many cases, customers also complain of delayed or missed deliveries. Therefore, by focusing on logistics and the supply chain, B2C sites will be able to overcome the problem of order fulfillment. So option (e) is answer.
61. Answer : (a) [<TOP>](#)
- Reason : The e-supply chain comprises five components, namely: supply chain replenishment, collaborative planning, collaborative product development, e-procurement and e-logistics. Each of these components plays a significant role in the success of the supply chain. So option (a) is answer.
62. Answer : (a) [<TOP>](#)
- Reason : The make-to-order strategy is similar to the assemble-to-order strategy in many respects, but the former is generally adopted in a highly volatile environment where customers' preferences change drastically and rapidly. In assemble-to-order, a tentative estimate of the requirements is prepared and the inventory of components and subassemblies is maintained accordingly. But in make-to-order, since the demand is highly volatile, such estimates cannot be prepared. Integrated make-to-stock is suitable for a mass-production environment. In this model, production is carried out on the basis of forecasted demand. The companies do not wait for customers to place orders. They manufacture goods and ship them to distributors from where it reaches retailers through different intermediaries. At each level, the goods are stocked by intermediaries till they are purchased. So option (a) is answer.
63. Answer : (a) [<TOP>](#)
- Reason: VMI and CPFR help establish real-time communication with suppliers and foster long-term relationships with them. With the help of ERP, SCP processes can determine the demand for a product, raw material needed, the time taken to manufacture and deliver and the inventory stock of finished goods and raw materials. Advanced Planning & Optimization is a tool of optimization. So option (a) is answer.
64. Answer : (a) [<TOP>](#)
- Reason: The time, quantity and location where the subassemblies will be required, are determined by the master production schedule and the manufacturing resource planning system. So option (a) is answer.
65. Answer : (d) [<TOP>](#)
- Reason: There are millions of configurations possible for a computer, and a customer may select any one of them. There are two ways that a company can meet the customer demand. It can invest a huge sum of money and manufacture all types of models. Major companies like IBM, Compaq and Acer do this in the manufacture of PCs. Another strategy might be to develop a responsive and integrated supply chain. As soon as a customer places an order and specifies the configuration, all the requirements of processors, hard disks and other peripherals are known to the suppliers and the schedule is also made available to them, they supply the materials on the required dates. This strategy is called build-to-order and is adopted by companies such as Dell Computers. So option (d) is answer.
66. Answer : (b) [<TOP>](#)
- Reason: The unique characteristic of the make-to-stock model is that companies do not wait for the customers to place orders. Remaining statements I and III are true regarding integrated make-to-stock model of supply chain management. So option (b) is answer.
67. Answer : (b) [<TOP>](#)
- Reason: Commodity-based relationships are those between a company and its suppliers of commodity products. Commodities may be either direct or indirect materials. The direct materials are raw materials or subassemblies used for production, and the indirect materials are non-production materials such as computers, stationery, etc. Decisions on the purchase of commodities are usually based on price and service as well as transportation and availability. Strategic relationships are the relations of companies with its suppliers of

non-commodity items which affect the daily operations of a company. So option (b) is answer.

68. Answer : (e) [<TOP>](#)
Reason: Till large-scale optimization models were developed, the information visibility required to synchronize supply chain operations was minimal. Inadequate information visibility led to excess inventory and increase in transportation costs. But now organizations are well-equipped with sophisticated optimization tools like Rhythm from i2 technologies, and Advanced Planning and Optimization tool from SAP. These tools help organizations predict demand, convey inventory levels and solve transportation problems. So option (e) is answer.
69. Answer : (b) [<TOP>](#)
Reason: Inter-enterprise integration is possible through three types of supply chains: responsive, enterprising and intelligent supply chains. Responsive supply chains enable quick response to customer requirements. The most important factor to consider is whether the inputs for the product are available, so that a commitment to deliver can be made. Enterprising supply chain aims to bring about changes in the supply chain in response to changes in customer demand as quickly as possible. Intelligent supply chains keep fine-tuning the weak links (to make them strong) in the supply chain on the basis of changing market conditions to get competitive advantage over others. So option (b) is answer.
70. Answer : (c) [<TOP>](#)
Reason: The collaborative application of information systems by the members of supply chain (companies, their suppliers and business partners) to achieve synergy in supply chain operations and to streamline B2B processes is referred to as the e-supply chain. The integration of suppliers and business partners into a single manufacturing entity is known as the extraprise supply network. So option (c) is answer.
71. Answer : (a) [<TOP>](#)
Reason: The time lag between the date of placing an order for a particular product and the date of receiving the product is known as lead time. So option (a) is answer.
72. Answer : (c) [<TOP>](#)
Reason: Aggregate inventory planning, Capacity planning, Forecasting comes under Replenishment process. Allocate inventory prioritize orders activity comes under production process. So option (c) is answer.
73. Answer : (d) [<TOP>](#)
Reason: The process (control) view integrates all the three views. By adopting the process view, the management can develop an architecture specifying all the functional modules required in an ERP package. So option (d) is answer.
74. Answer : (b) [<TOP>](#)
Reason: The time gap between the receipt of the order and the delivery of the product is called cycle time. So option (b) is answer.
75. Answer : (c) [<TOP>](#)
Reason: Statement 1 and Statement 3 are true about Enterprise Resource Planning. ERP emphasizes the process view in contrast to the function view, which traditional enterprise emphasizes. So option (c) is answer.
76. Answer : (e) [<TOP>](#)
Reason: Organizations, generally classify their suppliers into categories – certified, approved and probationary. Most critical components are procured from certified suppliers while less critical and strategic materials are procured from approved and probationary suppliers. So option (e) is answer.
77. Answer : (a) [<TOP>](#)
Reason: Statement 1 is false, remaining statements are true about big bang approach Most organizations prefer phased implementation because the risks can be more easily controlled in this approach. So option (a) is answer.
78. Answer : (a) [<TOP>](#)
Reason: Statement 1 is false. Big bang approach calls for rapid realignment of processes, greater commitment from the organization in terms of time and resources, and greater cooperation

from employees in terms of longer hours of work. The statements Most organizations prefer phased approach because the risks can be more easily controlled in this approach and One stage of implementation at a time are true with regard to the phased approach implementation. So option (a) is answer.

79. Answer : (b) [<TOP>](#)

Reason: Two types of approaches can be used to produce flexible products – the assemble-to-order approach and the engineer-to-order approach. The assemble-to-order approach offers only limited options and features to customers. The engineer-to-order approach enables organizations to configure from scratch the products that meet customer specifications and offer highly customized products. Big bang approach, Phased approach are approaches to ERP implementation. So option (b) is answer.

80. Answer : (a) [<TOP>](#)

Reason: SOA links all independent applications in a network enabling it to create custom composite applications. Sharing the Application Programming Interface enables easy working on products of different companies. New applications that would be dependent on connectivity and web services are XERP products. ERP is a transactional system used to manage the daily routine activities and Application Business Intelligence is used to extract data from these systems. So option (a) is answer.

81. Answer : (e) [<TOP>](#)

Reason: The use of BI software specifically designed for use in tandem with transactional systems would prove highly beneficial. Such software can be grouped under Application BI tools. These tools help the organizations in data extraction, maintaining up-to date information, and increase ease in usage by the business users. So option (e) is answer.

82. Answer : (e) [<TOP>](#)

Reason: The implementation of ERP would bring about changes in the roles, responsibilities, and authority and skill sets of employees. These changes are sometimes resisted by employees. To reduce resistance, the management has to communicate to employees the benefits derived by leveraging technology. So option (e) is answer.

83. Answer : (d) [<TOP>](#)

Reason: Use-management tool: It schedules jobs, monitors events, data output, backup and recovery. It manages the applications when they are being accessed by users.

Service management tools: These help the management monitor the performance of various ERP applications. These tools need to be powerful as they have to analyze thousands of transactions that occur simultaneously in an ERP system.

System administration tool: It manages the network and systems for ERP. It manages inventory and assets, configures software, modifies applications when needed, and distributes software.

So option (d) is answer.

84. Answer : (b) [<TOP>](#)

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So option (b) is answer.

85. Answer : (e) [<TOP>](#)

Reason: One of the biggest advantages that application BI tools provide is the extraction of data from transactional systems like ERP and CRM. Contrary to a general BI suite, the data schemas, Application Programming Interfaces (APIs), security mechanisms and business logic of the transactional systems are all preconfigured in the Application BI suite. Such configuration helps in enhancing the speed of data extraction from the transactional systems. So option (e) is answer.

86. Answer : (c) [<TOP>](#)
Reason: ARIS (Architecture of Integrated Information System) developed by Prof. A.W. Scheer of the IWI University of Saarland, Germany is the most widely used method for an integrated process view. According to the ARIS framework, a complex business process can be viewed in terms of data, function, organization and process views. The data view emphasizes different data entities and the relationships between them (e.g., date of placing order, item name, item code, customer name, and customer address). The function view breaks each function into a set of activities and establishes hierarchical relationships between them. For example, the production function is divided into production planning and production control; the sales function is divided into receiving a customer inquiry, creating a customer offer, confirming the order, addressing a customer status inquiry and tracking the customer order. The organization view looks at all the departments and the people working in it. It can be represented by an organization chart. So option (c) is answer.
87. Answer : (c) [<TOP>](#)
Reason : If the management selects an appropriate ERP system that can be integrated well with existing CAD packages in the organization, the exchange of information about drawings, items, BOMs (Bill of Materials) and routings becomes smooth. Clients propose changes in product specifications from time to time. By using the Engineering Change Control System (ECCS) in the ERP package, the organization can quickly meet any demand for changes in the specifications and deliver the product on time to the customer. So option (c) is answer.
88. Answer : (e) [<TOP>](#)
Reason: ERP system is not restricted to the integration of a specific function. It has the potential to integrate all functions in an organization. It makes available the data of one function to the other and improves consistency and integrity of data. So option (e) is answer.
89. Answer : (e) [<TOP>](#)
Reason: Developing architecture for the ERP system is one of the first activities in an ERP project. The architecture should cover all the business processes in the organization. It should take into consideration all the interconnections and interdependencies of the business functions. The goals, objectives and strategies of the organization also form the basis for the development of ERP architecture. So option (e) is answer.
90. Answer : (a) [<TOP>](#)
Reason: Only statement 1 is false, remaining two statements are true with regard to Extended ERP (XERP) products. A majority of XERP customers are not aware about how they can generate higher returns on investments (RoI) just by connecting applications or partners. A single vendor would find it difficult to address the different pain points for different companies. Most XERP application customers are interested in opting for a more focused solution that answers the specific problems faced by their organizations. So option (a) is answer.
91. Answer : (d) [<TOP>](#)
Reason: Organizations can build customer loyalty by personalizing and customizing their products/services to meet customer requirements. Personalization can be achieved by e-CRM tools like inference based and rules based software. Inference based software is generally used for cross-selling. It tracks customer behavior and groups together customers who have similar behavior. Rules based personalization is used for selling specific products and services. The software keeps track of the products/services that an online visitor has browsed for. This would enable organization to offer customized products/services to the visitors. So option (d) is answer.
92. Answer: (e) [<TOP>](#)
Reason: Organizations are looking for ways to personalize online companies of customers through e-CRM tools such as e-mail organizers, help-desk software and web development applications. So option (e) is answer.
93. Answer: (c) [<TOP>](#)
Reason: An effective CRM application helps in distinguishing customers based on the number of years of association with the company and the business given by each customer. A decision support system (DSS) helps in customer segmentation. A good DSS gathers

detailed customer information and helps the organization in understanding their highly profitable customers. So option (c) is answer.

94. Answer: (d) [<TOP>](#)
Reason: A well established e-CRM infrastructure must enable one to:
- Integrate multiple customer contact points
 - Define new business processes and data
 - Add new system applications and components
 - Support multiple users simultaneously
 - Add new data sources.
- Well established e-CRM infrastructures create several customer contact points and make efforts to integrate them. So option (d) is answer.
95. Answer: (c) [<TOP>](#)
Reason: CTI systems enable a computer to accept incoming calls and route them to the appropriate device/person. In order to maintain consistency in handling calls, CTI is used. The resources that are required to cater to the customer requirements are determined by linking the caller information with the information already stored in data repositories. So option (c) is answer.
96. Answer: (b) [<TOP>](#)
Reason: Contact management refers to capturing, sharing and storing of customer information through electronic means and making it accessible to the entire organization. Contact management opens up several opportunities for customer interaction for different departments in an organization. The source of customer inquiries may include the Internet, call center or other electronic channels.
- Contact management can be used as an effective tool. It ensures the availability of current information on customers. So option (b) is answer.
97. Answer: (e) [<TOP>](#)
Reason: Cross-selling and up-selling software, direct marketing and fulfillment, customer support and service, field service operations, and retention management are components of e-CRM. So option (e) is answer.
98. Answer: (b) [<TOP>](#)
Reason: Based on spending habits, customers can be classified into various types of loyalists. These include emotional loyalists, who have an emotional attachment with the brand, inert loyalists, who are not willing to take pains to shift to new products and deliberate loyalists, who select the best products. The emotional and inert loyalists are less likely to switch. So option (b) is answer.
99. Answer: (c) [<TOP>](#)
Reason: Dell's customer-to-knowledge facility allows the customer to search the database to find information about the company's products and services. The "Ask Dudley" feature offers querying facilities. So option (c) is answer.
100. Answer: (d) [<TOP>](#)
Reason: The "Dell talk" feature allows customers to post messages to each other. As on March 2000, two lakh customers had registered for chats. Dell conducts a live chat called "Breakfast with Dell" covering all kinds of topics ranging from the Y2K problem to the trends in the server market. So option (d) is answer.

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