

Chapter 2 cis-243



**ASSIGN
BUSTER**

Which of the following is not one of the competitive forces of Porter's model?
External environment
Quality control is seen as an end in itself in Six Sigma.
FALSE
The _____ model highlights the primary or support activities that add a margin of value to a firm's products or services where information systems can best be applied to achieve a competitive advantage.
value chain
An information system can enhance core competencies by:
encouraging the sharing of knowledge across business units.
Which of the following can force a business and its competitors to compete on price alone?
Transparent marketplace
The _____ strategy is characterized by heavy centralization of corporate activities in the home country of origin.
domestic exporter
To what competitive force did the printed encyclopedia industry succumb?
Substitute products or services
Which of the following illustrates the use of information systems to focus on market niche?
A hot tub dealer's use of information systems to determine which models and options its customers are most likely to buy.
A _____ is an activity at which a firm excels as a world-class leader.
core competency
Probably the best single way to reduce quality problems is to reduce cycle time
TRUE
As per your reading of the chapter opening case, which competitive force does Skype represent to AT&T?...
When a firm provides a specialized product or service for a narrow target market better than competitors, they are using a _____ strategy.
market niche
Which of the following best describes business globalization?...
The more any given resource is applied to production, the lower the marginal gain in output, until a point is reached where the additional inputs produce no additional output is referred to as:
the law of diminishing returns
Internet technology: makes it easy for rivals to compete on price alone.
The support activities of a firm include:

Procurement, Human Resource management, Technological Development and Infrastructure

The greatest impact the Internet has had on globalization is in lowering the costs of: entry to global-scale operations. _____ typically develop a single information system, usually at the home base, and then replicate it around the world.

Franchisers Seeing quality as the responsibility of all people and functions in an organization is central to the concept of: TQM. In a _____ system configuration, separate information systems are designed and managed by each foreign unit. decentralized

In the age of the Internet, Porter's traditional competitive forces model is still at work, but competitive rivalry has become much more intense. TRUE

A substitute product of most concern for a cable TV distributor is: satellite TV

The primary activities of a firm include: inbound logistics, operations, outbound logistics, sales and marketing, and service. The effect of the Internet has been to raise bargaining power over suppliers. TRUE

Franchisers are firms that have their product created, designed, financed, and initially produced in the home country but rely heavily on foreign personnel for further production, marketing, and human resources. TRUE

The competitive forces model was created for today's digital firm. FALSE

(n) _____ uses networks to link people, assets, and ideas, enabling it to work with other companies to create products and services without being limited by traditional organizational boundaries or physical locations. virtual organization

A transparent marketplace means that there is high product differentiation. FALSE

In the strategy of product differentiation, information systems are used to enable new products and services.

Answer TRUE

Strong linkages to customers and suppliers increase switching costs TRUE

The greatest barrier to changing business processes is ironically,

management itself. FALSE Which of the following does not describe a difference between the way customers and producers see quality? For a consumer, quality means uniformity of the product. The law of diminishing returns always applies to digital, as well as traditional products.

FALSE Walmart's continuous replenishment system allows it to: provide an efficient customer response system. A micromultinational is a small firm operating on a global scale. TRUE The iPad can be seen as a disruptive technology for the _____ industry. publishing Customers are one of the competitive forces that affect an organization's ability to compete. TRUE The _____ strategy concentrates financial management and control out of a central home base while decentralizing production, sales, and marketing operations to units in other countries. multinational Which of the following illustrates the use of information systems to strengthen customer and supplier intimacy? Chrysler Corporation's use of information systems to facilitate direct access from suppliers to production schedules. As per your reading of the chapter case, which of the four generic business strategies was Starbucks following in implementing its Starbucks Digital Network? Customer and supplier intimacy Mass customization allows a company to offer individually-tailored products using the same production resources as mass production. TRUE The more people that use Microsoft Office software and related products, the lower its value. FALSE All of the following have been disruptive technologies except: Minicomputers A firm can be said to have competitive advantage when it has higher stock market valuations than its competitors. TRUE The four basic strategies a company can employ to deal with competitive forces are: 1) strengthen customer and supplier intimacy, (2) focus on market niche, (3) product differentiation, and (4) low-cost

leadership. Benchmarks are specific standards for business processes set by industry leaders. FALSE Hilton Hotels' use of customer information software to identify the most profitable customers to direct services to is an example of using information systems to: focus on market niche. Studies show that about half of a business firm's profits can be explained by alignment of IT with business. TRUE All of the following are ways to improve quality except: implementing a new information system. Network economics: sees the cost of adding new members as inconsequential. All of the following industries have been severely disrupted by the Internet except: PC manufacturer. Business process reengineering is the radical redesign of business processes. TRUE A manufacturer of deep-sea oil rigs may be least concerned about which of these marketplace forces? New market entrants The value chain model: helps a firm identify points at which information technology can most effectively enhance its competitive position. The Internet raises the bargaining power of customers by: making information available to everyone When the output of some units can be used as inputs to other units, or if two organizations pool markets and expertise that result in lower costs and generate profits, it is often referred to as creating: synergies. The idea driving synergies is that when the output of some units can be used as inputs to other units, the relationship can lower cost and generate profits. Answer TRUE The first movers of a disruptive technology typically benefit the most from the technology; and it is rare that fast followers catch up quickly. FALSE How are information systems used at the industry level to achieve strategic advantage? By building industry-wide, IT-supported consortia and symposia An information system can enable a company to focus on a market niche through: intensive customer data analysis. In network economics, the

value of a commercial software vendor's software products: increases as more people use them. A firm's value chain is linked to the: value chains of its suppliers, distributors, and customers. BPM is considered concluded when the new processes are both implemented and accepted. FALSE Which of the following industries has the lowest barrier to entry? Restaurant In the value chain model, primary activities are most directly related to the production and distribution of the firm's products and services that create value for the customer. TRUE The value chain model classifies all company activities as either primary or support. TRUE A firm that locates all systems development and operations at its headquarters is using a _____ system configuration. centralized The emergence of the World Wide Web acted as a disruptive technology for: print publishing. The activities that measure the performance of your business processes against strict standards are called best practices. FALSE A value web is a collection of independent firms that use information technology to coordinate their value chains to collectively produce a product or service for a market. TRUE A firm can exercise greater control over its suppliers by having: more suppliers. The most successful solutions or methods for achieving a business objective are called: best practices. _____ systems are those in which development occurs at the home base but operations are handed over to autonomous units in foreign locations. Duplicated Which of the following illustrates the use of information systems to achieve product differentiation? An automobile manufacturer's use of information systems to facilitate direct access from suppliers to production schedules. The reduction of errors to 3.4 defects per million opportunities is central to the concept of: Six Sigma. Benchmarking: compares the efficiency and effectiveness of your business processes against strict standards.

_____ is the ability to offer individually tailored products or services using the same production resources as bulk production. Mass customizationA virtual company: uses the capabilities of other companies without being physically tied to those companies. A _____ is a collection of independent firms that use information technology to coordinate their value chains to produce a product or service for a market collectively. value webIn some instances, BPM will lead to a paradigm shift that transforms the nature of the business itself. FALSE ONCHAPTER 2 CIS-243 SPECIFICALLY FOR YOUFOR ONLY\$13. 90/PAGEOrder NowTags:

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