

Internal Assessment Test 1 – Sept. 2017

Sub:	Information Systems				Sub Code:	10IS72	Branch:	ISE
Date:	20/09/17	Duration:	90 min's	Max Marks:	50	Sem / Sec:	A&B	OBE

Answer any FIVE FULL Questions

MARKS

CO	RBT
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1a **What are the fundamental roles of IS in Business? Explain briefly.**

[2+3]

CO1	L2
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Information Systems



Fundamental roles of Information System in Business (with explanation)

- i. Support for strategies for competitive advantages
- ii. Support for Business Decision making
- iii. Support for Business process and operations

1b. **With a neat diagram , Explain Information system Activities and resources.**

[1+4]

CO1	L2
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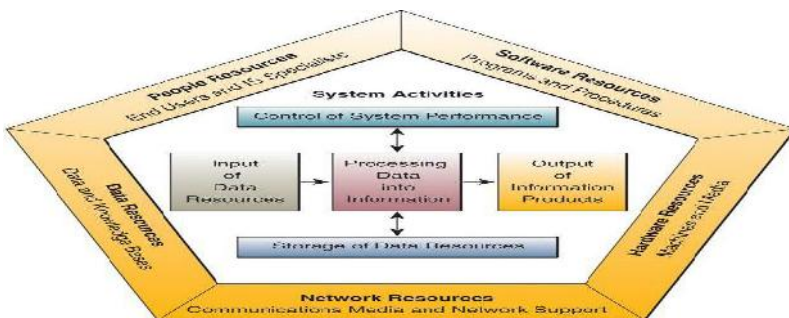
Information System Resources (with explanation)

- People – end users and IS specialists
- Hardware – physical devices and materials used in information processing including computer systems, peripherals, and media
- Software – sets of information processing instructions including system software, application software and procedures
- Data – facts or observations about physical phenomena or business transactions
- Network – communications media and network infrastructure

Information Systems Activities (with explanation)

Input of Data Resources

- Processing of Data into Information
- Output of Information Products
- Storage of Data Resources
- Control of System Performance



2a **What is a Cybernetic system? Conceptually Explain the types of Information systems.**

[1+4+1+4]

CO1	L2
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Definition:

A group of interrelated components, with a clearly defined boundary, working together toward a common goal by accepting inputs and producing outputs in an organized transformation process.

Cybernetic Systems

Definition:

a self-monitoring, self-regulating system.

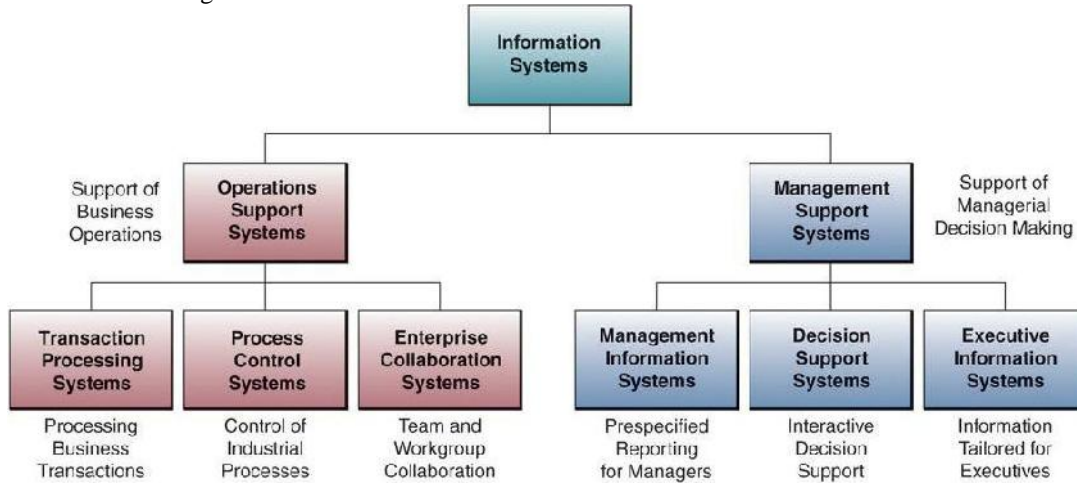
- Feedback – data about the performance of a system
- Control – monitoring and evaluating feedback to determine whether a system is moving toward the achievement of its goal
- system

IS Classifications by Scope

- Functional Business Systems – support basic business functions. Examples information systems that support applications in accounting,finance,marketing,operations management and human resource management
- Strategic Information Systems – support processes that provide a firm with strategic products, services, and capabilities for competitive advantage
- Cross-functional Information Systems – integrated combinations of information systems

Information Systems Activities

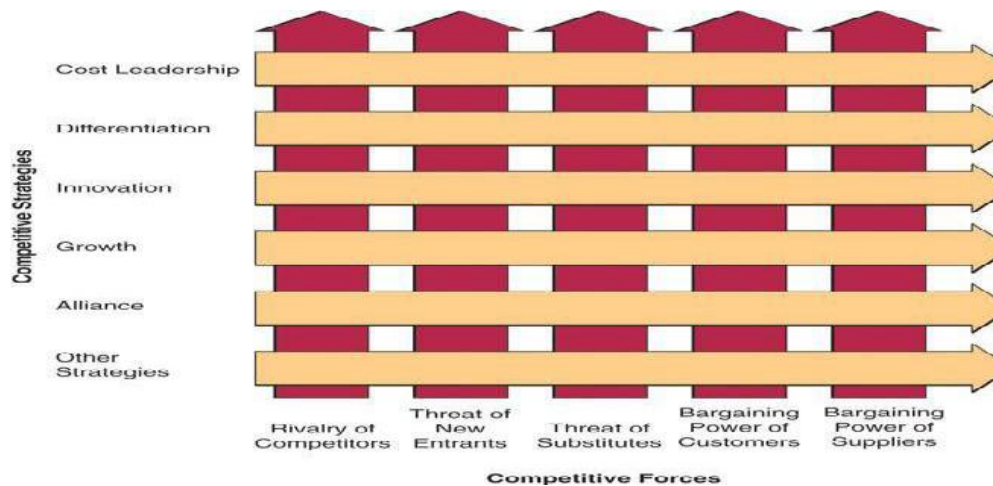
- Input of Data Resources
- Processing of Data into Information



3a Explain with a neat diagram the business competitive strategies and competitive forces that appear in the market place

[10]

CO1 L2



Porter’s Competitive Forces Model (5Marks) with explanation

To survive and succeed, a business must develop and implement strategies to effectively counter the:

- Rivalry of competitors within its industry
- Threat of new entrants into an industry and its markets
- Threat posed by substitute products which might capture market share
- Bargaining power of customers
- Bargaining power of suppliers

Competitive Strategies: There are five different strategies to gain competitive advantages in business. (5M)

- 1)Cost Leadership
- 2)Differentiation
- 3)Innovation
- 4)Growth

- 5)Alliance

1)Cost Leadership Strategy

- Becoming a low-cost producer of products and services in the industry, or finding ways to help its suppliers or customers reduce their costs or to increase the costs of their competitors.

2) Differentiation Strategy

- Developing ways to differentiate a firm’s products and services from its competitors’
- Reduce the differentiation advantages of competitors

3)Innovation Strategy

- Development of unique products and services
- Entry into unique markets or market niches
- Making radical changes to the business processes for producing or distributing products and services that are so different from the way a business has been conducted that they alter the fundamental structure of an industry

4)Growth Strategy

- Significantly expanding a company’s capacity to produce goods and services
- Expanding into global markets
- Diversifying into new products and services
- Integrating into related products and services

5)Alliance Strategy

- Establishing new business linkages and alliances with customers, suppliers, competitors, consultants, and other companies

4a **How to build a Knowledge creating company using IT?** [1+4]

Consistently creating new business knowledge, disseminating it widely throughout the company, and quickly building the new knowledge into their products and services.

Types of Knowledge

- Explicit Knowledge – data, documents, things written down or stored on computers
- Tacit Knowledge – the how-tos of knowledge, which reside in workers

Knowledge Management

Definition:

- Techniques, technologies, systems, and rewards for getting employees to share what they know and to make better use of accumulated workplace and enterprise knowledge.

Knowledge Management Systems – manage organizational learning and business know

Levels of Knowledge Management

- Information technologies can support many competitive strategies including cost Leadership, differentiation, innovation, growth and alliance.
- IT can help
- Build customer-focused businesses
- Reengineer business processes
- Businesses become agile companies
- Create virtual companies
- Build knowledge-creating companies

4b **How customer focussed bussiness builds a customer value and loyalty using Internet technology?Explain.** [1+4]

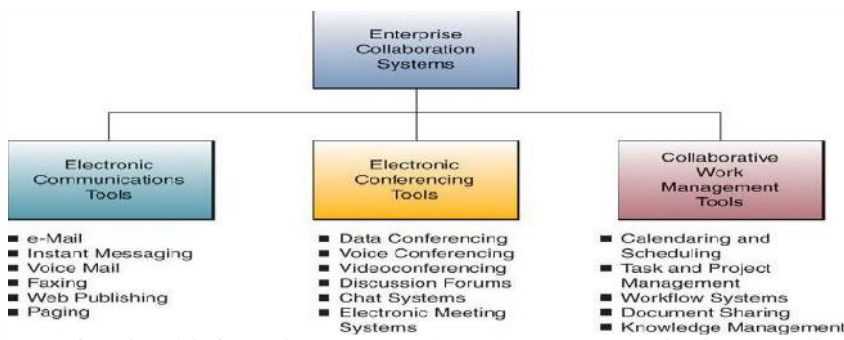
Customer-Focused Business: In many companies, the chief business value of becoming a customer focused business lies in its ability to help them keep customers loyal, anticipate their future needs, respond to customer concerns, and provide top quality customer service.

This strategic focus on customer value recognizes that quality, rather than price. so companies need to keep track customer preferences, keep up their market trends, supply products and information anytime.

Internet technologies can make customers the focal point of customer relationship management and other e-business applications

5a **Describe the features of Enterprise Collaboration systems.** [10]

	CO1	L2
	CO1	L2
	CO1	L2



Cross-functional information systems that enhance communication, coordination, and collaboration among the members of business teams and workgroups Internet technologies tools to help us to collaborate to communicate ideas, share resources and coordinate our cooperative work efforts as members of the many formal informal process and projects teams and workgroups that make up many of today's organizations.

- Communicate – share information
- Coordinate – coordinate individual work efforts and share resources
- Collaborate – work together cooperatively on joint projects and assignments

6a **What is the role of IT in reengineering most business processes? Explain it with an example.** [10]

Business Process Reengineering: One of the most important implementations of competitive strategies is BPR. Most often it is called business reengineering.

Definition:

- Fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in cost, quality, speed, and service.

BPR vs. Business Improvement

	Business Improvement	Business Process Reengineering
Level of Change	Incremental	Radical
Process Change	Improved new version of process	Brand new process
Starting Point	Existing processes	Clean slate
Frequency of Change	One-time or continuous	Periodic one-time change
Time Required	Short	Long
Typical Scope	Narrow, within functions	Broad, cross functional
Horizon	Past and present	Future
Participation	Bottom-up	Top-down
Path to Execution	Cultural	Cultural, structural
Primary Enabler	Statistical control	Information technology
Risk	Moderate	High

7a **Explain virtual company and customer focused Business** [5+5]

Virtual company can be one of the most important strategic uses of information Technology.

Definition:

- An organization that uses information technology to link people, organizations, assets, and ideas.

Virtual Company Strategies

- Share infrastructure and risk with alliance partners.
- Link complementary core competencies.
- Reduce concept-to-cash time through sharing.
- Increase facilities and market coverage.
- Gain access to new markets and share market or customer loyalty.
- Migrate from selling products to selling solutions.

	CO1	L2
	CO1	L2

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