



Information Systems and Organisations

01 June 2016

Examination Paper

Section A	You must answer this question.
Section B	Answer any TWO (2) questions from this section. Clearly cross out surplus answers. Failure to do this will result in only the first TWO (2) answers being marked.

Time: 3 hours

The maximum mark for this paper is 100.

Any reference material brought into the examination room must be handed to the invigilator before the start of the examination.

Case study

The questions in this examination paper are based around the following case study. You should base your answers upon the information in the case study.

Market Online (MO) is an e-commerce organisation that operates within the UK, in a way similar to other auction sites such as eBay. Customers need to have an account with MO to advertise goods for sale or to purchase goods on sale. One difference from other auction site models is that MO operates only within the UK; another difference is that goods purchased are not sent to the purchasers own addresses but these are collected by purchasers from various branches of well-known nationwide retailers (businesses that sell goods directly to the consumers), for example Argos, Sainsbury's, Tesco, etc.

Customers who sell goods are called *sellers*. Those who buy goods are called *buyers*. Nationwide retailers who receive goods from sellers for buyers to collect later are Market Online's *distributors*.

MO are operating a very simple business model but the systems in place must be such that *sellers* and *purchasers* are 100% happy with the business processes i.e.:

- The items paid for must be sent to a distributor, within the time space promised, for the purchasers to collect
- Payments from purchasers are 100% secure
- Customer data remains private so that a third party cannot breach confidentiality
- Any malpractice by customers and sellers is totally avoided
- The issues due to any malpractice are resolved within a given space of time.

For the smooth running of the business, MO have numerous information systems (IS) in place and all the necessary hardware in their data centre.

The five questions that appear in this examination paper are based on this case study. Wherever possible, your answers must relate to this business. When mentioning any hardware or IS, you may use generic and vendor neutral names (e.g. rather than say Toshiba N10, you may refer to it as PC); however, when referring to certain generic but well known software applications, you must name them appropriately (e.g. ERP, CRM, DSS, MIS, etc.).

Section A
You must answer this question

Question 1

- a) List FOUR (4) Information Systems (IS) that form the core of the MO information system portfolio. Mention TWO (2) business processes that each of these systems perform for the smooth running of the business. **12**
- b) Present TWO (2) ideas that MO can pursue to specialise their operations to give them a competitive advantage over other similar businesses. **6**
- c) Identify ONE (1) core IS that MO may be using to interact with their distributors. Discuss how this system may be proving useful to both MO and their distributors. **7**
- d) The CEO is convinced that '*MO is a wonderful example of IS and IT leading to automation*'. Identify THREE (3) factors that could contribute to this belief and discuss whether or not it is valid. **9**
- e) An organisation can be viewed by several different perspectives including: organisation as an *organism* or as a *context* for human action. Differentiate between these two perspectives providing THREE (3) characteristics of each of these views. Which of these perspectives would you attach to MO and why? **8**
- f) Define the term *Customer Relationship Management (CRM)* and discuss TWO (2) reasons why a *CRM* system is important for an organisation such as MO. **8**

Total 50 Marks

Section B
Answer any TWO (2) questions from this section

Marks

Question 2

- a) MO are already focusing on *procedural excellence* rather than *product excellence*. Identify and discuss THREE (3) ways to further help MO to achieve *procedural excellence*. **9**
- b) Using the *DIKAR model*, discuss how strategic actions can be devised and results obtained, based on the content of the company's *Document Management System (DMS)*, which is used to track, manage and store documents. **16**

Total 25 Marks

Question 3

- a) The *balanced scorecard (BSC)* is a performance management tool. What are the THREE (3) critical characteristics that define BSC? Suggest FOUR (4) steps for the design of a BSC. **14**
- b) Differentiate between *tactical* and *strategic* management. Provide TWO (2) examples each of *tactical business processes* and *strategic business processes*. **11**

Total 25 Marks

Question 4

- a) MO business partners (the *distributors*) also keep some of the customer data. Discuss how the responsibility for keeping this data secure and private, will be shared between MO and the distributors. **16**
- b) Assume that one of MO *distributors'* websites gets hacked and customers' data is stolen. Considering THREE (3) relevant points, discuss the extent of damage this may cause as opposed to if the MO site was hacked and data stolen. **9**

Total 25 Marks

Question 5

- a)** Information Systems promise many advantages to organisations as well as to individuals associated with the organisations. Identify the following: **9**
- i) THREE (3) generic benefits for the organisations
 - ii) THREE (3) generic benefits to the management of the organisations.
 - iii) THREE (3) generic benefits to the customers of the organisations.
- b)** MO are thinking of implementing a *Forecasting Information System (FIS)*. Explain the purpose of a *FIS* and discuss in detail THREE (3) reasons that could form the basis of an implementation. **16**

Total 25 Marks

End of Examination Paper