

Test Series: April, 2019

MOCK TEST PAPER – 2

INTERMEDIATE (New): GROUP – II

PAPER – 7: ENTERPRISE INFORMATION SYSTEMS AND STRATEGIC MANAGEMENT

SECTION – A: ENTERPRISE INFORMATION SYSTEMS

Time Allowed – 1½ Hours

Maximum Marks – 50 Marks

Multiple Choice Questions

Question Nos. 1 to 5 carries 2 Marks each.

1. Auditor of a company finds that management policy of cash expenses limit of Rs. 5,000/- is not being adhered to. There are many violations of the same during the year. Auditor of the company shall report on same under which clause of Companies Act, 2013?
 - (a) 134(4)
 - (b) 143(3)
 - (c) 134(3)
 - (d) 143(4)
2. Bills of Materials (BoM) is an important feature for any ERP software. The sub-system where a BoM is located is _____.
 - (a) Manufacturing
 - (b) Financials
 - (c) Projects
 - (d) Human Resource Management
3. Database is a collection of Data. Various database models are used. The database models having using a primary key is _____.
 - (a) OODBMS
 - (b) RDBMS
 - (c) Network Database Model
 - (d) Hierarchical Database Model
4. Driverless cars are the future of personal transportation technology. Many companies have been testing these cars on roads across the world. Few fatalities have been caused by these driverless cars. The culprits are not yet booked. This reflects which risk of AI as a technology being used in driverless cars.
 - (a) The police investigations are poor.
 - (b) AI is not human.
 - (c) The law is not being able to meet the requirements of technology.
 - (d) No one is responsible.

5. A company has purchased a luxury yacht in Monte Carlo from sale of property worth Rs.100/- crores. The sale was executed in cash and money was taken out of India through dubious means. This transaction is a money laundering act by the company. Purchase of luxury yacht is best classified as_____.
- (a) Application
 - (b) Placement
 - (c) Integration
 - (d) Layering
- (5 x 2 = 10 Marks)**

Question Nos. 6 to 10 carries 1 Marks each.

6. Entity-Relationship (ER) Diagram, Data Flow Diagram, Flowcharts all use graphical symbols. All symbols given are used in all three except one.
- (a) 
 - (b) 
 - (c) 
 - (d) 
7. Pick the ODD one out.
- (a) Accounting Information System
 - (b) Input
 - (c) Output
 - (d) Process
8. Pick the odd one out.
- (a) Amazon Alexa
 - (b) Boss Speakers
 - (c) Apple Siri
 - (d) Google Talk
9. An element that has contributed to e-commerce success is payment gateways. One that does not fall in the definition is _____.
- (a) SBI Buddy
 - (b) HDFC Zapp
 - (c) Paytm
 - (d) Cash On Delivery
10. In Core banking Systems, a ____ server is a computer that offers a computer network service to allow clients to make indirect network connections to other network services.
- (a) ATM
 - (b) Network
 - (c) Proxy
 - (d) Internet Banking
- (5 x 1 = 5 Marks)**

Division B – Descriptive Questions

Total Marks: 35 Marks

Question No. 1 is compulsory.

Attempt any three questions out of remaining four questions.

1. (a) Explain the term “Data Warehouse”. **(3 Marks)**
(b) Define the term “Money Laundering”. **(2 Marks)**
2. (a) You are an IS Auditor undertaking a job of auditing the Information Systems of an ABC Bank. While performing Audit checks, you intend to ensure the placement of Input validation controls placed in the Information System by detecting errors in the transaction data before the data is processed. Determine the three levels of Input Validation Controls. **(6 Marks)**
(b) Discuss any four benefits of Enterprise Risk Management (ERM). **(4 Marks)**
3. (a) Analyze the statement “The potential benefits of Business Intelligence (BI) programs include accelerating and improving decision making; optimizing internal business processes; increasing operational efficiency; driving new revenues; and gaining competitive advantages over business rivals.” Determine its justification. **(6 Marks)**
(b) Discuss the application areas of Virtualization. **(4 Marks)**
4. (a) You attended an IT workshop as a CBS. You are required to provide a basic idea to the participants about Current & Savings Accounts (CASA) and primarily discuss the risks and controls that might be relevant in CASA process. Advise about the relevant risks and their counter controls. **(6 Marks)**
(b) Discuss the characteristics of the Hybrid Cloud. **(4 Marks)**
5. (a) Draw a flowchart to input 5 subject marks of a student. Calculate its total, percentage and also print the grade. Condition for grade are as follows:

Percentage	Grade
≥ 80	A
$< 80 \text{ \& } \geq 60$	B
$< 60 \text{ \& } \geq 50$	C
< 50	FAIL

(6 Marks)
(b) Discuss the factors that an IS Auditor need to determine while accessing the records in an access log of an organization. **(4 Marks)**

SECTION – B: STRATEGIC MANAGEMENT

Time Allowed – 1½ Hours

Maximum Marks – 50

Question 1 and 2 are compulsory.

Attempt any three questions out of remaining four questions.

1. (i) Strategy helps in:
 - a. Unravelling complexity
 - b. Reduce uncertainty
 - c. Relate the goals with the resources.
 - d. All of Above.
- (ii) Which of the following statement is not true:
 - a. Strategic environment is complex
 - b. Strategic environment is turbulent.
 - c. High cost of strategy makes them useless for charitable organization.
 - d. Public sector units should implement business strategy
- (iii) Which of the following is not part of external analysis:
 - a. Customer segments.
 - b. Organizational constraints.
 - c. Entry barriers.
 - d. Competitors.
- (iv) A core competence is all except?
 - a. Valuable
 - b. Rare
 - c. Impossible to imitate
 - d. Non-substitutable
- (v) Mission
 - a. is an internally-focused definition of the organization's societal goals
 - b. is a statement of a firms unique purpose and scope of operations
 - c. does not limit the firm by specifying the industry in which the firm intends to compete
 - d. is developed by a firm before the firm develops its strategic intent.
- (vi) Objectives should be:
 - (i) Concrete and specific.
 - (ii) Related to time frame.
 - (iii) Standards for performance appraisal.

Which of the above statements are true:

 - a. (i) & (ii).
 - b. (ii) & (iii).
 - c. (i) & (iii).
 - d. (i), (ii) and (iii).

- (vii) Acquisition of a company producing readymade garments by a company manufacturing yarn is.
- Horizontal integration
 - Horizontal Diversification
 - Forward integration
 - Backward integration
- (viii) Which of the following can be used in retrenchment strategy?
- Reducing assets.
 - Operational improvement.
 - Cutting cost.
 - All of the above.
- (ix) Conglomerate diversification can also be explained as:
- Merger
 - Combination strategy
 - Related diversification
 - Unrelated diversification
- (x) Michael Porter Generic strategies to gain competitive advantage include all except:
- Cost leadership
 - Differentiation
 - Focus
 - Revenue generation
- (xi) Decisions with regards to marketing mix are related to:
- Growth Strategy
 - Business level strategy
 - Functional strategy
 - Corporate decisions
- (xii) The purpose of logistics management is
- Provide customer satisfaction
 - Create automation
 - Procure better quality raw material
 - Manage inward and outward movement of goods
- (xiii) Who is a transformational leader?
- Someone who is involved in organizational change.
 - A leader, who provides new ways of carrying out management.
 - A leader who inspires the workers to new levels by offering them a vision of a better future.
 - A leader who tries to transform their staff by giving them rewards for what they do.

(xiv) Which of the following is not a phase in Kurt Lewin's Model of Change?

- a. Changing
- b. Deep freezing
- c. Refreezing
- d. Unfreezing

(xv) The following are part of Richard Rumelt's criteria for strategy audit, except:

- a. Adaptation
- b. Consistency
- c. Consonance
- d. Feasibility

(15 x 1 = 15 Marks)

2. 'Speed' is a leading retail chain, on account of its ability to operate its business at low costs. The retail chain aims to further strengthen its top position in the retail industry. The Chief executive of the retail chain is of the view that to achieve the goals they should focus on lowering the costs of procurement of products. Highlight and explain the core competence of the retail chain. **(5 Marks)**

3. (a) Enumerate the task to be performed as a strategic manager of a company. **(5 Marks)**
- (b) A company manufactures computers that are of low in production cost, competitive price, and quality to their competitor's product. Profits and market share are declining day by day. Shree, a senior executive realizes that drastic strategies have to be created for the survival of a company. After SWOT analysis by assessing the strengths and weaknesses, they come up with the conclusion that they cannot compete in the computers with the competitors. The management directs Shree to act quick and develop a suitable strategic plan.

Discuss the strategy which can be opted by Shree. **(5 Marks)**

4. (a) A owner of medium size factory in Aligarh manufacturing hardware consisting handles, hinges, tower bolts and so on has a staff of about 200 in his organisation. One of the leading brand of Hardware seller in India is rebranding and selling the material from his factory. The owner believes in close supervision and takes all major and minor decisions in the organisation.

Do you think the owner should take all decisions himself? What kind of decisions should be taken by person at the level of owner of a medium size factory. **(5 Marks)**

- (b) How Ansoff's Product Market Growth Matrix is a useful tool for business organizations? **(5 Marks)**

5. (a) Gennex is a company that designs, manufactures and sells computer hardware and software. Gennex is well known for its innovative products that has helped the company to have advantage over its competitors. It also spends on research and development and concerned with innovative softwares. Often the unique features of their product helps them to gain competitive advantage. Gennex using the strategy is consistently gaining its position in the industry over its competitors.

Identify and explain the strategy which Gennex has opted to gain the competitive advantage.

(5 Marks)

- (b) Rohit Bhargava is the Managing Director of Smooth and Simple Pvt Ltd. The company established in 2011, with 35 employees grew very fast to become an organisation with 335 employees in the year 2016. With the increase in size Rohit started facing difficulty in managing things. Many a times he finds that personnel at the functional level are not in sync with the strategies of the top. He felt that strategies need to be segregated into viable plans and policies that are compatible with each other and communicated down the line.

Why does Rohit need to segregate the strategies into functional plans? Discuss. **(5 Marks)**

6. (a) Discuss the concept of Multi Divisional Structure
- (b) HQ is a service company? Two years back the company hired a reputed management consultant to formulate its strategy. The consultant recommended an aggressive expansion plan. Now in an internal review meeting the company finds that many of the suggestions are not even fully considered.

Which part of strategic management process is missing in HQ?

(5 Marks)