

MOCK TEST PAPER 1
INTERMEDIATE (IPC): GROUP – II
PAPER – 7: INFORMATION TECHNOLOGY AND STRATEGIC MANAGEMENT
SECTION – A: Information Technology

Time Allowed – 1½ Hours

Maximum Marks: 50 Marks

Part I Multiple Choice Questions

Total Marks: 15 Marks

Question Nos. 1 to 5 carries 2 marks each.

M/s TAS & Sons is an automobile manufacturer of spare parts of four wheelers in India. The company does the business in both offline and online mode. The company has four manufacturing units in various locations across the country. It also has two branch offices located in Pune and Hyderabad to handle activities like orders, delivery, complaints and stock operations. Sometime ago, the company's business processes like accounting, purchase, sales and inventory were maintained in manual mode. The management of the company observed that the manual processing of these activities hinder the overall working of the business related daily operations. This resulted in a huge gap in the flow of information, pending orders, delayed deliveries, and delayed decision making due to lack of business reports and therefore overall non-performance.

Therefore, the management committee decides to adopt the process of automation of its various processes so that information flow would be timely and consolidated within its branches and manufacturing units. To attain this objective, the service models of Cloud Computing are proposed to be adopted so that the branches and manufacturing units are interconnected with centralized mechanism of data sharing and storage. The proposed system with well-implemented access controls will provide robust data security among its systems of branches and manufacturing units. Not only the record keeping, but also data maintenance and reports generation would become simpler after the implementation of proposed system. The management is looking for better prospects of adhering to the legal compliances of the country and also to initiate its business operations through online mode.

The company hires a consultant Mr. Sumit to carry out the Feasibility study of its proposed system who prepares a feasibility report and submitted to the management. Based on the go ahead report of Mr. Sumit's report, a project team is constituted who will work under him to execute the project and ensure its delivery on time.

1. The Management committee of M/s TAS & Sons decides to automate its entire business processes anticipating reaping better benefits for the company. Which of the following does not come under the category of benefits of Business Process Management Systems (BPMS)?
 - (a) Reduction in the administration involved in compliance
 - (b) Failure to identify future business needs
 - (c) Operational Savings
 - (d) Better utilization of employees' time
2. In the proposed system, a feature may be added wherein managers of various departments of both branches may use Office Automation System that allows them to access other managers' calendars and facilitates scheduling. Which feature of Office Automation system is this referring to?
 - (a) Electronic Calendaring
 - (b) Video Conferencing
 - (c) Desktop video Conferencing

- (d) Manual Calendaring
3. If the company hires ABC Ltd. as Cloud Computing service provider, which of the following model of Cloud Computing would be useful for M/s TAS & Sons if ABC Ltd. hosts company's application at its data center over the internet to make it accessible to the customers of M/s TAS & Sons?
- (a) Infrastructure as a Service
(b) Platform as a Service
(c) Software as a Service
(d) Database as a Service
4. In purview of above case scenario, the branches and manufacturing units of M/s TAS & Sons would be interconnected with centralized mechanism of data sharing and storage. Which of the following type of cloud computing environment will be best suited to M/s TAS & Sons, keeping in mind the objective of achieving highest confidentiality of data?
- (a) Public Cloud
(b) Private Cloud
(c) Community Cloud
(d) Hybrid Cloud
5. The company M/s TAS & Sons offers to provide an additional discount of 15% to all its employees on online purchase of products worth Rs. 5,000 through its website. Which of the following business model of e-commerce is being followed in this?
- (a) Consumer to Business e-Commerce
(b) Business to Employee e-Commerce
(c) Business to Business e-Commerce
(d) Consumer to Consumer e-Commerce

Question Nos. 6 to 10 carries 1 mark each.

6. The management of a telecommunication company named ABC Ltd. wished to implement Six Sigma in the company with an aim to reduce the cost of its services, increase its customer satisfaction and profits. Mr. Kapil, a responsible resource for leading Six Sigma project in the company, followed the sequential steps involved in the six-sigma life cycle. Identify from the following phases of six sigma on which Mr. Kapil is working on if he has identified solution alternatives to fix the root causes and has presented his proposal to the top management?
- (a) Control
(b) Measure
(c) Analyze
(d) Improve
7. DEF is one of the leading Public Sector Undertaking (PSU) having seven branches all over the country. All these branches share cloud infrastructure provisioned for their exclusive use. The data may be leaked from the cloud being possibly used by them. Which type of cloud you think is possibly referred here?
- (a) Hybrid Cloud
(b) Community Cloud
(c) Public Cloud
(d) Private Cloud

8. Though e-commerce provides immense benefits to individual organizations, an organization should be cautious against the risks associated with e-commerce transactions. Which of the following type of risk is not associated with e-commerce transactions?
 - (a) Problem of Privacy
 - (b) Lack of authenticity of transactions
 - (c) Problem of anonymity
 - (d) File Management
9. FastTrackercom, a shopping portal has provided its first-line managers an access to _____ so that they can track the customer orders, their invoices and feedback on daily basis.
 - (a) Strategic Level System
 - (b) Management Level System
 - (c) Knowledge Level System
 - (d) Operational Level System
10. Under Application controls, _____ subsystem comprises the components that perform decision making, classification, ordering and summarization of data in the system.
 - (a) Communication
 - (b) Processing
 - (c) Database
 - (d) Boundary

Part II: Descriptive Questions

1. (a) Briefly explain the objectives of Business Process Automation (BPA) that ensure the organizations to extract maximum benefit by using the available resources to their best advantages. **(3 Marks)**
 (b) Write a short note on SmartPhone. **(2 Marks)**
2. (a) Mr. Amar has setup a travel and tourism company. He wishes to establish a computer network with 8 computer systems in his office and contacts an IT administrator Mr. Sumit for setting up the network in his office. Mr. Amar explains that computer systems should be arranged in such a way that the entire setup is reliable, scalable, decentralized, and not affected in case of failure of any particular system. Identify and explain the advantages and disadvantages of the topology that Mr. Sumit may opt in this situation and briefly explain it. **(6 Marks)**
 (b) Briefly explain various components of Supply Chain Management (SCM). **(4 Marks)**
3. (a) A Computer system consists of devices that perform the functions of input, processing data, storage and output activities of the computer. Out of these, Data Storage devices are the devices that refer to the memory where data and programs are stored. Briefly explain various types of memory techniques /devices used in computer systems. **(6 Marks)**
 (b) While planning an overall information management and communication strategy, it is important to have proper and accurate delivery channels for information or product distribution. In light of above statement, specify the suggestions to be considered while choosing appropriate delivery channels. **(4 Marks)**
4. (a) ABC is a publication house having 500 employees. The salary paid to each employee is sum of his Basic Pay (BP), Dearness Allowance (DA) and House Rent Allowance (HRA). For the purpose of computing HRA, bank has classified his employees into three classes - A, B and C. The HRA for each class is computed at the rate of 35 percent, 25 percent and 15 percent of the Basic Pay respectively. The DA is computed at a flat rate of 66 percent of the BP. Draw a flow chart to

determine the percentage of employee falling in the each of the following salary slabs:

- (i) Above Rs. 40,000
- (ii) Rs. 20,001 to Rs. 40,000
- (iii) Rs. 10,001 to Rs. 20,000
- (iv) Less than or equal to Rs. 10,000. **(6 Marks)**

- (b) Panipat based ABC university has a huge campus providing various residential courses with around 1500 students registered with it. The campus has its own telecommunication network with various buildings within the premises to be interconnected by special-purpose communication processors called Internetwork processors. Briefly explain various internetwork processors that may be used by IT administrators to manage ABC University campus network. **(4 Marks)**

5. (a) See&Order is an online shopping portal from where customers can purchase grocery, furniture, kids' toys, sports items and apparels etc. It has huge clientele and therefore uses Business Intelligence tools to retrieve, analyse and report data to retrieve important business information, essential for decision makers. Discuss few key Business Intelligence tools that See&Order may use. **(6 Marks)**

- (b) DEF, a pharmaceutical company, uses proper documentation describing procedures that employees must follow to accomplish various application tasks. Emphasize on this statement by citing various reasons of importance of documentation of Information Systems. **(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. (A) Rohansh Bakshi a 22-year-old from Maharashtra, started a gaming equipment company called TEEMOX, which specialises in gaming chairs, gaming consoles, controllers, wireless keyboard, and touchscreen mouse pads. Rohan has been an innovator and loves building products. Hence, to prioritise his time more on development, he insisted Mr. N. Muniyappa, his mentor, to be the CEO of the company and spearhead business from the front.

Rohansh has always believed in bringing something new to the consumer and that is clearly projected in the products offered by TEEMOX. His designs reflect youth with exciting colors and comfort, and they match the quality of global big brands. However, to make his products worth the money that his customers are paying, the procurement is done from Indonesia and Vietnam, where the materials are easily available at low costs.

Interestingly, Rohansh's AI based gaming chairs have been a huge hit for the company, bringing in the maximum revenue and margins. The business has gone from 200 units sold to over 5000 units sold in just six months. To add to it, a famous FMCG Brand approached TEEMOX to collaborate for a sports drink focused on gamers. The team is excited about this collaboration as the deal shall bring in more awareness and open newer markets for them. But Mr. Muniyappa insists that this might as well displease the existing consumers who relate to TEEMOX as a customer-oriented brand rather than yet another money minting business.

Nonetheless, the plans seem to be working in the company's favour for now and the future seems bright. To put in context, the gaming industry is booming with a Compound Annual Growth Rate (CAGR) of 190%, adding over 20 million new customers every quarter. Clearly, opportunities are enormous, and the brand is on track. A well-established vision and mission for the company could be a strong strategic advantage for challenging times to come.

Based on the above Case Scenario, answer the Multiple-Choice Questions which are as follows:

1. Based on the above case which of the following seems true about the Strategy of TEEMOX?
 - (a) Strategy was unified and comprehensive.
 - (b) Strategy was comprehensive and integrated.
 - (c) Strategy was integrated and unified.
 - (d) Strategy was integrated, unified and comprehensive. **(1 Mark)**
2. Gaming chair business of TEEMOX is a cash cow. Which of the following strategies helped it become such an influential business?
 - (a) Organisation differentiation
 - (b) Product differentiation
 - (c) Focused differentiation
 - (d) Low-cost product provider **(1 Mark)**

3. By routing its products from Indonesian and Vietnam, TEEMOX was able to achieve which of the following strategies on the holistic level of business?
- (a) Product differentiation
 - (b) Horizontal integration of business
 - (c) Best cost provider in the industry
 - (d) Globalisation of business **(1 Mark)**
4. With the appointment of Mr. N. Muniyappa, Rohansh can be designated as which of the following?
- (a) Vice President
 - (b) CEO Emeritus
 - (c) Chairman
 - (d) Functional Head **(1 Mark)**
5. Which Ps of marketing have been the winning Ps for TEEMOX?
- (a) Product and Place
 - (b) Promotion and Price
 - (c) Price and Product
 - (d) Promotion and Place **(1 Mark)**
- (B) The Specialist Clothing Company (SCC) is a manufacturer of a wide range of clothing. Fashion is one of the five divisions of SCC. Fashion is operating in a market with high growth and is a market leader. By the next year, it is predicted to have 10% of the market share in a growing market. Fashion should be classified as which of the following according to the BCG matrix.
- (a) Star
 - (b) Dog
 - (c) Cash cow
 - (d) Question mark **(2 Marks)**
- (C) Beta Company, a car manufacturer is buying up a supplier so that it gets a dedicated supplier with both guaranteed quality and price. The material could be manufactured when required by Beta Company leading to lower inventory levels. Which strategy has Beta Company adopted?
- (a) Backward integration
 - (b) Forward integration
 - (c) Conglomerate diversification
 - (d) Horizontal integrated diversification **(2 Marks)**
- (D) Developing vision and mission, identifying an organisation's external opportunities and threats, and determining internal strengths and weaknesses are:
- (a) SBU planning
 - (b) Strategy formulation

- (c) Strategy implementation
 - (d) Business process reengineering **(2 Marks)**
- (E) As the head of an MNC, you have been asked to bring in radical changes in your organisation through BPR. Which of these is the thrust area you would focus on reducing:
- (a) Total cycle time
 - (b) Total order time
 - (c) Total inventory time
 - (d) None **(2 Marks)**
- (F) Which of the following is correct?
- (a) Strategy is always pragmatic and not flexible
 - (b) Strategy is not always perfect, flawless and optimal
 - (c) Strategy is always perfect, flawless and optimal
 - (d) Strategy is always flexible but not pragmatic **(1 Mark)**
- (G) A corporation organized in network structure is often called
- (a) Virtual organization
 - (b) Hierarchical organization
 - (c) Structured organization
 - (d) Simple organization **(1 Mark)**
2. X-Olympus is a gaming software company specializing in developing games for ZBox and GameStation-4. The company is facing stiff competition due to saturation of market and price wars, which has excessively favor and highlight their dependence on gaming console manufacturers. Thereby, the company desires to establish a competitive advantage over industry rivals by enhancing the gaming experience by expanding into Edge-Cloud Gaming Service on a monthly subscription basis. This service offering does not require dedicated gaming consoles yet provide customers game streaming in 4K resolution with an ample range of games to select from. This move is expected to insulate X-Olympus from price wars and provide a competitive advantage. Identify and explain the generic strategies adopted by X-Olympus? **(5 Marks)**
3. (a) "Strategy is partly proactive and partly reactive." Elaborate. **(5 Marks)**
- (b) Examine the significance of KSFs (Key Success Factors) for competitive success. **(5 Marks)**
4. (a) Shri Alok Kumar is having his own medium size factory in Aligarh manufacturing hardware consisting handles, hinges, tower bolts and so on. He has a staff of more than 220 in his organisation. One of the leading brand of Hardware seller in India is rebranding and selling the material from his factory. Shri Alok Kumar, believes in close supervision and takes all major and minor decisions in the organisation.
- Do you think Shri Alok should take all decisions himself? What should be the nature of decisions that should be taken by him. **(5 Marks)**
- (b) How can management communicate that it is committed to creating a new culture assuming that the old culture was problematic and not aligned with the company strategy? **(5 Marks)**

5. (a) Justify the statement "Stability strategy is opposite of Expansion strategy". **(5 Marks)**
(b) Explain the three major R & D approaches to implement strategic decisions. **(5 Marks)**
6. Distinguish between the following:
- (a) Market Development and Product Development under Ansoff's Product Market Growth Matrix. **(5 Marks)**
- (b) Distinguish between Strategy Formulation and Strategy Implementation. **(5 Marks)**