

M.B.A DEGREE EXAMINATIONS: JANUARY 2011

First Semester

MASTER OF BUSINESS ADMINISTRATION

MBA563: Management Information System

Time: Three Hours

Maximum Marks: 100

Answer all the Questions:-

PART A (1 x 20 = 20 Marks)

1. Case Study

UPS Turns to Technology for a Strategic Advantage

People often claim that the saying “you can’t teach an old dog new tricks” applies to old, traditional companies. It is often said that it takes a new, upstart company to take full advantage of changing times and the Internet age. Although this may be true for some old, traditional companies, it is not true for one of the oldest and most respected companies in America, UPS.

UPS began in the early 1900s by moving a limited number of packages in the Seattle area. The first vehicles used were Model T Fords. With its coffee-brown uniforms and vehicles, UPS has not only survived for almost a century, it has thrived. Company income for 1999 exceeded \$2 billion on revenues of \$27 billion. In recent years, the company has seen annual growth rates that exceed 20 percent. Today, the company moves 13 million packages daily. The company’s ability to change and adapt is a key reason for its continued success for almost 100 years. According to Chief Executive James Kelly, “We have to be more adaptable. We have to know when to add and when to subtract.” Clearly, James Kelly, who started with UPS as a part-time driver, knows how to compute the way to success for UPS. And that way is through technology. The success has reached to all levels of the company. After a recent initial public offering, a number of long-term UPS truck drivers and other employees became instant millionaires as a result of their stock options.

This long-term success story is a result of the staggering investment UPS has made in computer technology. Over the last ten years, UPS has invested about \$11 billion in computer systems and related equipment. In the past, UPS could be categorized as a trucking company that used technology. Today, UPS thinks of itself as a technology company that uses trucks. All aspects of its business have been automated, with the

Internet playing a central part in its long-term business strategy. Each driver, for example, uses an electronic tracking device, called a Delivery Information Acquisition Device (DIAD). Using this device, a company can track its shipment even before the UPS truck leaves its driveway. But UPS does much more than deliver packages. For example, UPS delivers Gateway computers to customers with a cash-on-delivery system, where UPS collects payments from customers receiving Gateway computers and deposits the payments directly into Gateway bank accounts.

UPS, however, hasn't always had an easy or successful time. A few years ago, the Teamsters walkout cost UPS about \$200 million in lost sales. For many inside UPS, this was a wake-up call to be even more aggressive in using technology to propel the company into the next century. According to one observer of the impact of the Teamsters walkout on UPS, "You never want to wound a tiger. You want to kill it, because if you wound it, it only becomes more ferocious." From all accounts, UPS is becoming more ferocious in its use of technology to increase profits and give it a long-term competitive advantage.

Questions

- (i) Describe the history and success of UPS.
- (ii) How was UPS able to use technology to its competitive advantage?
- (iii) How could the lessons of UPS be used in other industries?
- (iv) If you were the CEO of another shipping company, such as FedEx, what would you do to keep your company competitive over UPS?

PART B (10 x 2 = 20 Marks)

2. Differentiate information literacy and computer literacy.
3. Define business process.
4. What is an Expert System? Give example.
5. What is information and communication technology?
6. What are the components of accounting information system?
7. Enumerate the different types of ERP implementation.
8. What does GPS stand for and what is the basic principle on which GPS technology works?
9. What is cyber war? Give one example.
10. Define a virtual corporation.
11. What are biometric controls?

PART C (4 x 15 = 60 Marks)

12. (a) (i) What are the computer based information systems?
(ii) Explain the different functional information systems.
(OR)
- (b) (i) What is value chain? List the primary and secondary activities in a value chain.
(ii) Explain the five strategies as recommended by Michael Porter for enhancing the competitiveness of an organization.
13. (a) (i) What are the phases of decision making?
(ii) How MIS (Management Information System) help in decision making process?
(OR)
- (b) (i) List the different types of e-commerce technologies.
(ii) Explain B2B in detail giving real life examples for demonstration.
14. (a) (i) What are legacy systems?
(ii) How will you implement ERP in an organization which is at present using legacy information system by following reengineering of the various business processes?
(OR)
- (b) (i) What are the vulnerabilities in an organizational information system?
(ii) What measures you will take to protect the organizational information system? How will you ensure earliest system restoration if there is an information system disaster?
15. (a) (i) What are the ethical issues involved in information systems?
(ii) How will you make use of principles of ergonomics in designing information system?
(OR)
- (b) (i) What are the aspects to be considered while carrying out a feasibility study?
(ii) Explain the various steps involved in system development life cycle (SDLC)?
