



University of Kelaniya – Sri Lanka

Centre for Distance and Continuing Education

Faculty of Commerce and Management Studies

Bachelor of Business Management (General) Second Year Examination (External) – 2023

April – 2025

BMGT E 2055 - Business Information Systems

Time: 03 hours

Instructions

- Read the instructions given and questions very carefully.
- Duration: 3 Hours
- Total Marks: 100 (Part I – 60 marks, Part II – 40 marks)
- These items are strictly prohibited inside the examination hall while attempting this paper: Mobile phones/ Smartphones/ Smartwatches/ Any other electronic or communication devices.
- ***This paper is divided into two parts: Part I and Part II.***

Part I (60 Marks)

1. Answer all questions in Part I on the paper itself.
2. Do not remove or detach any page from the Part I paper [whether attempted or not].

Part II (40 Marks)

1. Use the official answer booklets and supplementary sheets provided to write your answers.
2. Attempt only 02 [TWO] out of the three questions provided.
3. Each question carries 20 marks, making a total of 40 marks for Part II.
4. Ensure your answers are clearly numbered and answering each main question should be started from a new page.

Part I – Mark answer/answers for each question directly on this question paper. Do not write answers in the answer booklet.

Carefully read each of the following statements and decide whether they are *True (T)*, *False (F)*, or if you are *Not Sure (NS)*.

1. The strategic success of a business is entirely dependent on the software systems it uses, without significant influence from hardware, data management, or network infrastructure.
(T / F / NS)
2. The Advertising Revenue Model primarily generates income by charging users directly for purchasing products or services.
(T / F / NS)
3. The transaction fee revenue model enables a firm to earn income by facilitating and charging for transactions between independent parties.
(T / F / NS)
4. Identity Management Systems are focused on managing user identities and access controls, and are unrelated to hardware or communication networks.
(T / F / NS)
5. System vulnerabilities arise exclusively from external cyber threats, and internal errors such as misconfigurations or software bugs do not contribute.
(T / F / NS)
6. Supply Chain Management (SCM) deals only with the logistics of goods movement and excludes the management of information and cash flows.
(T / F / NS)
7. A Transaction Processing System (TPS) supports the handling of day-to-day operations and routine transactions at the operational level of an organization.
(T / F / NS)
8. Information systems security deals solely with internal organizational threats and does not address external risks or compliance-related concerns.
(T / F / NS)
9. Explicit knowledge refers to knowledge that can be clearly articulated, codified, and shared through formal documents such as manuals and databases.
(T / F / NS)

10. Intellectual property protection is not applicable to digital content and software since such assets are easily replicated.

(T / F / NS)

(1 mark for each question)

(Total 10 Marks)

Underline the most appropriate answer from the given four options.

01. According to the sociotechnical systems view of information systems, which of the following is the most accurate?
- a) Information systems work best when the latest technology is used, even without changes to people or processes.
 - b) Improving technology alone is enough to increase employee performance.
 - c) Business rules and procedures are enough to make an information system successful.
 - d) A good information system needs both technology and the organization to work well together.
02. Which of the following is not a typical benefit of using information systems in business processes?
- a) Enhancing data-driven decision making
 - b) Improving operational efficiency
 - c) Increasing accuracy and speed of information flow
 - d) Replacing the need for employee involvement in any business activity
03. Who are the primary users of Supply Chain Management (SCM) systems?
- a) Sales, marketing, customer service
 - b) Accounting, finance, logistics, and production
 - c) Customers, resellers, partners, suppliers, and distributors
 - d) All of the above

04. What is the primary goal of a firewall in a network?
- a) To prevent unauthorized access to the network
 - b) To encrypt data transmitted over the network
 - c) To optimize network performance
 - d) To detect and remove malware from the network
05. What is the main purpose of antivirus software?
- a) To protect against phishing attacks
 - b) To identify and remove malware from a computer
 - c) To secure wireless networks
 - d) To encrypt sensitive files
06. How can a CRM system help improve customer retention?
- a) By ignoring customer feedback and complaints
 - b) By offering discounts to new customers only
 - c) By providing personalized experiences and timely support
 - d) By focusing solely on acquiring new customers
07. What is the purpose of encryption in cybersecurity?
- a) To protect data from unauthorized access
 - b) To increase network speed
 - c) To block malicious websites
 - d) To monitor network traffic
08. What is the primary difference between privacy and confidentiality in information systems?
- a) Privacy is the right to control personal data, while confidentiality ensures that data is only accessible to authorized parties
 - b) Privacy is a legal term; confidentiality is an ethical term
 - c) Privacy restricts access to authorized users; confidentiality refers to an individual's control over their data
 - d) Privacy is about corporate data; confidentiality is about personal data

09. In business information systems, cloud computing refers to:
- a) Computers performing tasks that require human intelligence
 - b) Interacting with a three-dimensional (3D) virtual environment
 - c) Protecting systems from digital attacks
 - d) Providing on-demand access to computing resources over the internet
10. What is the main characteristic of tacit knowledge?
- a) It is highly personal and context-specific
 - b) It is stored exclusively in databases
 - c) It can be easily documented in manuals
 - d) It requires no human interaction to transfer
11. Which of the following protects software intellectual property?
- a) Trademarks
 - b) Pseudocode
 - c) Copyright
 - d) IMEI Number
12. Which of the following best reflects a key characteristic of digital goods?
- a) They require physical transportation and storage
 - b) They are sold only through traditional marketplaces
 - c) They are scalable and delivered without physical logistics
 - d) They cannot be used more than once
13. Which of the following best represents the sales revenue model in e-commerce?
- a) A blog generating income through banner ads
 - b) An online store selling physical or digital products directly to customers
 - c) A free mobile app with paid upgrades
 - d) A website earning from referral links

14. Which e-commerce platform most likely uses the affiliate revenue model?
- a) Spotify offering both free and premium plans
 - b) Amazon earning a percentage when bloggers promote its products and generate sales
 - c) Netflix charging a monthly subscription
 - d) Etsy charging a fee per item sold
15. Which of the following practices is most effective in preventing unauthorized access to company systems?
- a) Sharing passwords among team members for convenience
 - b) Using strong, unique passwords and enabling two-factor authentication
 - c) Writing login details on sticky notes near the workstation
 - d) Disabling software updates to avoid compatibility issues

(Total 30 marks)

Provide your answers only in the space provided on this question paper. Do not use the answer booklet.

01. Briefly explain what an Information System does to support decision-making and coordination within an organization.

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02. Compare the technical and behavioral approaches to information systems.

Technical approach	Behavioral approach

03. Briefly explain whether you agree that Supply Chain Management systems help companies manage various supply chain processes.

04. Define Customer Lifetime Value (CLV) and explain it very briefly.

05. Explain very briefly why Customer Relationship Management (CRM) is important specifically for a sales team.

06. Explain how digital marketing strategies help businesses engage customers in the online environment. Use examples to support your explanation.

07. List three (03) major types of e-commerce and provide a suitable example for each.

08. State two (02) characteristics each for the following types of knowledge:

Tacit Knowledge	Explicit Knowledge

09. Name two (02) security principles from the CIA triad.

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10. Explain briefly the role of a Management Information System (MIS) in an organization.

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(02 Marks * 10 = 20 Marks)

(Total 60 Marks)

Part II: Use the answer booklet provided to write your answers for this section. Answer only two (02) questions out of the three given.

Question No. 01

- a) Define Enterprise Resource Planning (ERP) and explain how it integrates core business processes across departments.

(04 Marks)

- b) Distinguish between Customer Relationship Management (CRM) systems and Supply Chain Management (SCM) systems by comparing their primary objectives, users, and data flows.

(08 Marks)

- c) "Information systems contribute to operational efficiency, employee enablement, and data-driven decision-making." Critically discuss this statement using two real-world examples to illustrate your points.

(08 Marks)

[Total: 20 Marks]

Question No. 02

- a) Information systems are essential tools for achieving strategic business objectives. Explain how organizations can use information systems to gain a competitive advantage and describe how each of the six (06) key strategic business objectives can be supported through effective use of information systems.

(10 Marks)

- b) Compare e-commerce with traditional commerce by explaining four (04) unique features of e-commerce. Use relevant examples to support your explanation.

(10 Marks)

[Total: 20 Marks]

Question No. 03

- a) Identify and explain five (05) major cybersecurity challenges commonly faced by organizations. Support each issue with relevant real-world examples, and discuss effective strategies that organizations can adopt to mitigate or overcome these challenges.

(10 Marks)

- b) In the context of the information society, discuss appropriate actions that individuals and organizations can take to avoid political, social, and ethical issues related to the use of information systems and technology.

(10 Marks)

[Total: 20 Marks]