(01) This question paper comprises of 02 parts - Part I and II.
(02) It is compulsory to write answers for the questions in Part I in the question paper itself and it should be attached to the answer booklet containing answers for Part II.
(03) Part I of the question paper should not be taken out of the examination hall.

Part - I (Question 01)

Answer all questions of this section by drawing a clear line under the correct answer.

1. Identify the option containing only the hardware devices.
   A. USB drives, spreadsheets, technicians
   B. Flat panels, motherboards, sound cards
   C. Image scanners, videos, web browsers
   D. Flight simulators, movie players, palmtops

2. What term is used to refer to all the computer-based information systems used by organizations and their underlying technologies?
   A. Network technology
   B. Digital technology
   C. Information technology
   D. Productivity technology

3. Which of the following is NOT an example of information?
   A. Monthly expenses summary report
   B. Sales analysis report sent from the Head Office
   C. Day’s transactions of a bank
   D. Trend analysis of the monthly electricity bill of the factory
4. An information system can be defined as a set of interrelated components that collect (or retrieve), process, store, and distribute information to support,
A. decision making and control in an organization.
B. communications and data flow.
C. managers analyzing the organization’s data.
D. the creation of new products and services.

5. Information systems that monitor the elementary activities and transactions of organizations are,
A. Strategic level systems.
B. Operational level systems.
C. Management level systems.
D. Knowledge level systems.

6. Which of the following liveware category has less formal and less advanced educational degrees, and tend to process rather than generate information?
A. System analysts
B. Programmers
C. Data workers
D. Executives

7. In an hierarchical organization, the upper levels consist of,
A. managerial and professional workers.
B. managerial, professional, and factory workers.
C. professional and operational workers.
D. managerial, professional, and operational workers.

8. Information systems support to have a strong rapport with the buyers through,
A. Supply Chain Management Systems (SCMS)
B. Customer Relationship Management Systems (CRMS)
C. Knowledge Management Systems (KMS)
D. Enterprise Resource Planning Systems (ERPS)

9. An intranet uses,
A. network technology beyond the boundaries of stakeholders.
B. internet technology within the boundary of the firm.
C. data management technology within the country.
D. hardware and data management technology within the boundary of few firms.
10. Handling and maintaining the organization’s financial records is a function of,
A. Sales and marketing information systems.
B. Manufacturing information systems.
C. Human resource information systems.
D. Finance and accounting information systems.

11. The three principal levels within the hierarchy of a business organization are,
A. senior management, middle management, and operational management.
B. management, data workers, and operational management.
C. management, knowledge workers, and service workers.
D. senior management, middle management, and service workers.

12. A sales and marketing information system aids middle management employees in,
A. tracking daily sales.
B. planning new products and services.
C. analyzing sales performance.
D. preparing sales forecasts.

13. A computerized system that performs and records the daily dealings necessary to conduct a business is identified as a(n),
A. Executive support system.
B. Decision support system.
C. Computerized daily data system.
D. Transaction processing system.

14. Buying or selling goods over the Internet is called,
A. E-exchange.
B. E-commerce.
C. E-business.
D. E-buy.

15. What is the most popular payment system in Sri Lanka for transactions performed over Internet?
A. Paypal accounts
B. Credit cards
C. Teller cards
D. Hit saver accounts
16. Policies, procedures, and technical measures used to prevent unauthorized access, alternation, theft, or physical damage to information systems refers to,
   A. security
   B. controls
   C. benchmarks
   D. algorithms

17. An independent computer program that copies itself from one computer to another over a network is called a,
   A. Trojan horse.
   B. Worm.
   C. Bug.
   D. Pest.

18. Which of the following represents a limiting factor for the growth of E-commerce?
   A. Inadequate payment options offered in E-commerce compared to physical market place.
   B. E-commerce lacks the convenience of other methods of transacting business.
   C. The potential audience for E-Commerce is too high.
   D. Persistent cultural attention for physical markets and traditional shopping experiences.

19. Tricking employees to reveal their passwords by pretending to be a legitimate member of a company is referred to as:
   A. Sniffing
   B. Information management
   C. Social engineering
   D. Spoofing

20. Biometric authentication:
   A. is inexpensive.
   B. is used widely in Europe for security applications.
   C. can use a person’s face as a unique, measurable trait.
   D. only uses traits as a measurement.
21. Internet business model that provides information about goods and services to the customers, through advertising and thereby make arrangements to meet buyers and sellers is referred to as:
   A. Online market places
   B. Information brokers
   C. Online service providers
   D. Transaction brokers

22. Which of the following Internet business model does 'Amazon.com' use?
   A. Virtual storefront
   B. Information broker
   C. Online service provider
   D. Transaction broker

23. Internet content providers,
   A. generate revenue from advertising or from directing buyers to sellers.
   B. create revenue by providing digital content over the Web.
   C. provide a digital environment where buyers and sellers can establish prices for products.
   D. save users money and time by processing online sales dealings.

24. An extranet that links a large firm to its suppliers and other key business partners is called a(n),
   A. Private industrial network
   B. Market space
   C. Exchange
   D. e-hub

25. A firewall allows the organization to,
   A. enforce a security policy on traffic between its network and the Internet.
   B. check the accuracy of all transactions between its network and the Internet.
   C. create an enterprise system on the Internet.
   D. check the content of all incoming and outgoing e-mail messages.
Part II

Answer all questions.

02. (i) Why information systems are so important for business organizations in the present day context? List and describe the reasons with appropriate examples. (10 Marks)

(ii) Explain the characteristics of Decision Support Systems (DSS). How do DSS differ from Executive Support Systems (ESS)? Explain. (07 Marks)

(iii) 'Organizations find it difficult to manage large number of information systems in different organizational levels and different functional areas.' Explain how organizations can address this issue. (08 Marks)

(Total: 25 Marks)

03. (i) What is the importance of taking measures for information system security and control? Explain the repercussions that an organization will have to face by not focusing on information system security. (08 Marks)

(ii) Name the various types of e-commerce models and how e-commerce has changed consumer retailing and business-to-business transactions. (07 Marks)

(iii) Describe the principal payment systems of E-commerce (10 Marks)

(Total: 25 Marks)