

## PRACTICE TEST

**SUBJECT:**Information Technology Business Management (ITBM)

**CLASS:** B.E

**DEPARTMENT:** Information Technology

1. Which of the following describes an ERP system?

- A. ERP systems provide a foundation for collaboration between departments
- B. ERP systems enable people in different business areas to communicate
- C. ERP systems have been widely adopted in large organisations to store critical knowledge used to make the decisions that drive the organisation's performance
- D. All of the above

Answer: D

2. What is at the heart of any ERP system?

- A. Information
- B. Employees
- C. Customers
- D. Database

Answer: D

3. What must a system do to qualify as a true ERP solution?

- A. Be flexible
- B. Be modular and closed
- C. Extend within the company
- D. All of the above

Answer: A

4. Which of the following is a reason for ERPs explosive growth?

- A. ERP is a logical solution to the mess of incompatible applications
- B. ERP addresses the need for global information sharing and reporting
- C. ERP is used to avoid the pain and expense of fixing legacy systems
- D. All of the above

Answer: D

5. What are the primary business benefits of an ERP system?

- A. Sales forecasts, sales strategies, and marketing campaigns
- B. Market demand, resource and capacity constraints, and real-time scheduling
- C. Forecasting, planning, purchasing, material management, warehousing, inventory, and distribution
- D. All of the above

Answer: C