UNIVERSITY OF SWAZILAND

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS ADMINISTRATION

SUPPLEMENTARY EXAMINATION 2009

TITLE OF PAPER: STRATEGIC INFORMATION SYSTEMS

DEGREE AND YEAR: BCOM V (F/T) & BCOM VII (IDE)

COURSE NUMBER: BA 502/ IDE BA 502

TIME ALLOWED: TWO (2) HOURS

INSTRUCTIONS:1. THIS PAPER CONSISTS OF SECTIONS (A) AND (B)

     2. THE CASE STUDY SECTION (A) IS COMPULSORY

     3. ANSWER ANY TWO QUESTIONS FROM SECTION B.

Note   MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH AND FOR ORDERLY PRESENTATION OF WORK

THIS EXAMINATION PAPER SHOULD NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

SECTION A: THIS SECTION IS COMPULSORY

CASE STUDY

Internet chat rooms have had a somewhat unsavoury reputation as havens for teenagers, misfits and virtual pick-up scenes, but companies have found that the interactive qualities of this technology can be harnessed into many valuable ways, especially in customer service and support. Pop up messaging with instant responses can help companies communicate with customers even better than using e-mail or traditional telephone service.

Software maker Symantec, which deals with about 24000 user queries per week, employs about 500 people to handle phone calls at its customer service centres in Eugene, Oregon. The company has been encouraging people to solve their own problems by using a self-help database on its Website because such support costs 40 percent to 60 percent less than telephone based support. The database contains product information and discussion groups where customers can post questions. However the average response time to questions submitted this way is 24 hours. To address this problem, Symantec recently added chat to its Website to provide customers with more immediate feedback.
Software from Business Evolution allows customers to click on a button on Symantec's website and enter a "room" to chat one-on-one with a customer service representative.

Other companies are experimenting with chat as a way to interact more closely with customers on the internet. After visitors to the furniture.com Website enter their style preferences, they are presented with a personalised showroom. A live company representative is available to discuss colours, fabrics or prices using Web chat or Net phone. Egghead Software's Web chat lets customers chat with "sales egg" as they shop on its on-line store or chat with other customers in a "virtual lounge".

If a customer still needs to speak with a human representative, Websites can be enhanced to connect them to corporate call centres. New software products such as Web Agent from Aspect Telecommunications Inc. allow Websites to be browsed simultaneously by customers and customer service agents. They can talk to each other over a separate telephone line or an internet connection to compare products or discuss their features. WebAgent synchronises Web screens viewed by both parties as they talk and even lets each draw circles around words or pictures for both to see. This feature is useful for explaining how a complex device such as a router works, while a diagram is viewed on-screen.

Such benefits have prompted Logistix Inc., a logistics technology company, to use WebAgent in conjunction with its 120-person call centre. Logistix and other companies like the fact that the technology can turn the call centre into a central point for customer contact where agents can answer customer enquiries from a number of sources-telephone, fax, e-mail or the website.

CASE STUDY QUESTIONS:

a) What benefits accrue from the use of the internet?   [15 marks]

b) Discuss the major lessons that can be learnt from the usage of Electronic Commerce   [20 marks]

c) What role would each of the following parties play to ensure successful setup and usage of internet and electronic commerce in a company.
    i.   IT Management
    ii.   User management
    iii.   General Management   [15 marks]

SECTION B: ANSWER ANY TWO QUESTIONS FROM THIS SECTION

Question 1

A newly recruited CEO of a company whose operations are information technology intensive approaches you for hints on the problems he is likely to encounter in his new job. Advise him of five major challenges he is likely to face. [25 marks]

Question 2

Discuss the major factors that determine the impact of IT on strategy in a business.

[25 marks]

Question 3

How best can an IT outsourcing alliance be structured to ensure mutual benefit?

[25 marks]

Question 4

Why would users prefer to develop their own IT applications and not rely on IT departmental expertise? [25 marks]