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**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2020/2021 ACADEMIC YEAR FOUR**

**SECOND SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 405**

**COURSE TITLE: FINANCIAL INFORMATION SYSTEM**

**EXAMINATION DURATION: 2 HOURS**

**DATE: 04/04/2021 TIME: 12.00-2.00 PM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other TWO (2) questions from the remaining FOUR (4) questions**
* **Use sketch diagrams to illustrate your answer whenever necessary**
* **Do not carry mobile phones or any other written materials in examination room**
* **Do not write on this paper**

**This paper consists of TWO (2) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

1. The electronic business (E-business) field is an emerging concept that seems to be revolutionizing the business world yet many companies have failed to exploit the opportunities of e-business with their customers and suppliers.

**Required:**

1. Explain four opportunities e-business may offer to both companies and their customers **(8 marks)**
2. Examine two challenges that may hinder a company's attempt to implement the E-business concept**. (4 marks)**
3. What are the four main applications of a database system in a customer department’? (**4 marks)**
4. Most financial information systems are reviewed or critically examined a few months after they have been implemented or put into operation. **(4 marks)**

**Required:**

1. State key reports resulting from this exercise outlining their structural content**. (4 marks)**
2. Discuss how information technology is used to gain a competitive advantage**. (10 marks)**

**QUESTION TWO**

1. Explain why do businesses and managers need financial information.  **(10 marks)**
2. Describe the components of Information system. **(5 marks)**
3. State the differences between data and information. **(5 marks)**

**QUESTION THREE**

1. Information can be classified according to use to which it is put. Explain types of information classification in financial information system. **(10 marks)**
2. Discuss the factors considered when outsourcing Financial Information System. **(10 marks)**

**QUESTION FOUR**

1. Define what is computerized accounting and financial system (**2 marks)**
2. Discuss the advantages and disadvantages of computerized accounting system. **(10 marks)**
3. The use of computers in any database oriented application has four basic requirements. Explain the four basic requirements. **(8 marks)**

**QUESTION FIVE**

Tactical management level may require the use of Decision Support Systems (DSS) for semi -structured decisions and data modelling.

**Required:**

1. Describe five functional characteristics of Decision Support Systems (DSS). **(10 marks)**
2. State and explain Five types of accounting information systems which DSS may address. **(10 marks)**