

The
Management
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UNDERGRADUATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DEGREE OF BACHELOR OF MANAGEMENT AND
LEADERSHIP

**BCM 423 / UCU 403/UCU 301/BBIT 423: BUSINESS
MANAGEMENT**

INFORMATION SYSTEMS

DATE:

27TH JULY 2026

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 MARKS** each.

7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

CASE STUDY: DIGITAL TRANSFORMATION CHALLENGES AT PRIME RETAIL HOLDINGS LTD

Prime Retail Holdings Ltd is a fast-growing retail company operating supermarkets, wholesale outlets, and online shopping platforms across East Africa. Over the last five years, the company expanded rapidly due to increased demand for digital services, online transactions, and improved customer experiences.

Initially, the organization relied heavily on manual systems for recording sales, managing inventory, processing customer orders, and preparing financial reports. As the company expanded, management realized that manual systems caused delays, inaccurate reporting, duplication of work, and poor coordination between departments.

To improve efficiency, Prime Retail Holdings introduced several computer-based information systems including Transaction Processing Systems (TPS), Management Information Systems (MIS), Decision Support Systems (DSS), and Enterprise Resource Planning (ERP) systems. The organization also invested in computer hardware, networking infrastructure, cloud-based software, and internet technologies to improve communication and centralized data management.

The finance department adopted spreadsheets and accounting software for budgeting, payroll processing, and financial analysis. Marketing teams implemented customer databases and digital marketing platforms to improve customer engagement and online sales. Warehouse managers introduced barcode scanners and inventory management systems to track product movement and reduce stock shortages. Despite these technological improvements, the organization experienced several challenges. Employees lacked adequate training in information systems and resisted technological changes because they feared automation

would reduce employment opportunities. Some departments continued maintaining separate data systems, resulting in inconsistent reports and duplication of information.

The company also experienced cybersecurity threats such as phishing attacks, malware infections, unauthorized access to customer data, and disruption of online payment systems. Management discovered that employees lacked awareness regarding cyber ethics, password protection, and data privacy responsibilities.

Implementation of the ERP system also faced difficulties because departments disagreed on system requirements and workflow processes. Some managers argued that implementation costs were too high, while others believed the organization lacked adequate infrastructure and technical expertise to support the system effectively.

At the same time, online competition increased significantly as e-commerce companies adopted artificial intelligence, cloud computing, and data analytics to improve customer experiences and business decision-making. Prime Retail Holdings struggled to keep pace with emerging trends such as electronic business, remote working systems, and digital customer relationship management.

Senior management now believes that effective Business Management Information Systems are critical for improving decision-making, operational efficiency, customer satisfaction, and long-term competitiveness. The board has therefore hired you as a Business Information Systems consultant to evaluate the organization's information systems challenges and recommend practical solutions.

Required:

- (a) Using evidence from the case study, analyze the major Business Management Information Systems challenges affecting Prime Retail Holdings Ltd and explain how they influence organizational performance and decision-making. **(10**

Marks)

(b) Evaluate the effectiveness of computer-based information systems, ERP systems, and information technology strategies that Prime Retail Holdings Ltd can implement to improve efficiency and competitiveness. **(10 Marks)**

(c) Assess the importance of information security, employee training, and emerging technologies in supporting successful information systems management within modern organizations.

(5 Marks)

QUESTION TWO

(a) A newly established company intends to replace manual operations with computer-based information systems. Using practical examples, demonstrate how information systems improve business operations, communication, and decision-making. **(7**

Marks)

(b) A business organization has experienced poor data management and duplication of information across departments. Propose practical information system strategies that can improve data collection, processing, storage, and dissemination. **(8**

Marks)

QUESTION THREE

(a) A retail company intends to improve managerial decision-making through digital technologies. Analyze how Transaction Processing Systems (TPS), Management Information Systems (MIS), and Decision Support Systems (DSS) support business decision-making processes.

(7 Marks)

- (b) Using practical examples, evaluate how spreadsheet applications and databases improve organizational planning, budgeting, and information management. **(8 Marks)**

QUESTION FOUR

- (a) A business enterprise plans to implement an Enterprise Resource Planning (ERP) system across all departments. Analyze the benefits and challenges associated with ERP implementation in modern organizations. **(7 Marks)**
- (b) A company has experienced resistance from employees during implementation of new information technologies. Propose practical change management and user training strategies that can improve successful adoption of information systems. **(8 Marks)**

QUESTION FIVE

- (a) A company operating online has experienced cyber-security threats including malware attacks, phishing, and unauthorized access to customer information. Analyze how information security measures support safe and effective business operations. **(7 Marks)**
- (b) Using practical examples assess how electronic business, internet technologies, and networking systems influence modern organizational operations and competitiveness. **(8 Marks)**

QUESTION SIX

- (a)** A multinational organization is adopting emerging technologies such as cloud computing, artificial intelligence, and digital collaboration systems. Analyze how emerging trends in information systems are transforming organizations and management practices.

(7 Marks)

- (b)** A business enterprise intends to strengthen information architecture and infrastructure to support future growth. Evaluate practical strategies that organizations can use to manage information investments, improve system performance, and achieve sustainable competitive advantage.

(8 Marks)