
2.6

Exploring Business

Impact of Digital Technologies

Learning Outcome Notes

LO 2.6 - Discuss the impact of digital technologies on an organisation, debating the associated rewards and costs.

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Exploring Business

Impact of Digital Technologies

Past Exam Questions and Answers

NOTE - Very Important

It is very important when answering exams question that you use the following steps -

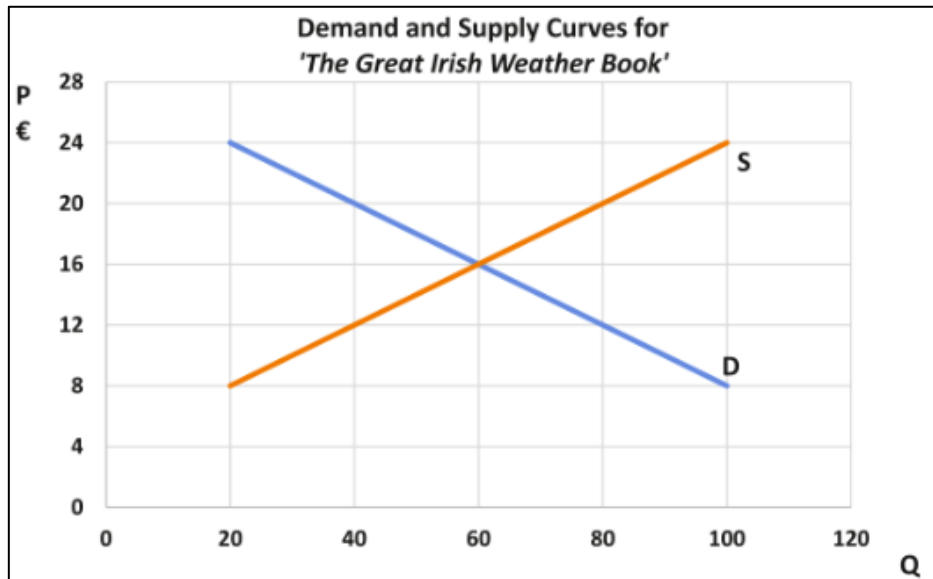
1. That you know the information for the learning outcome
2. That you understand the information form the learning outcome
3. That you can apply the information form the learning outcome to the question
4. Be able to give at least two full sentences for your answer (Fill up the space)

Questions are changing from rote learning to applying the knowledge to the Question

QUESTIONS

2019 - Question 16 - Part a (v - vi)

- (a) New chapter is an award-winning traditional bookshop located in Tinahely, Co. Wicklow. The demand and supply curves for one of its books 'The Great Irish Weather Book' are shown in the diagram below.



- (v) Investing in Information and Communication Technology (ICT) can bring many benefits to a local business-like New Chapter

Illustrate how the business could use technology to its advantage.

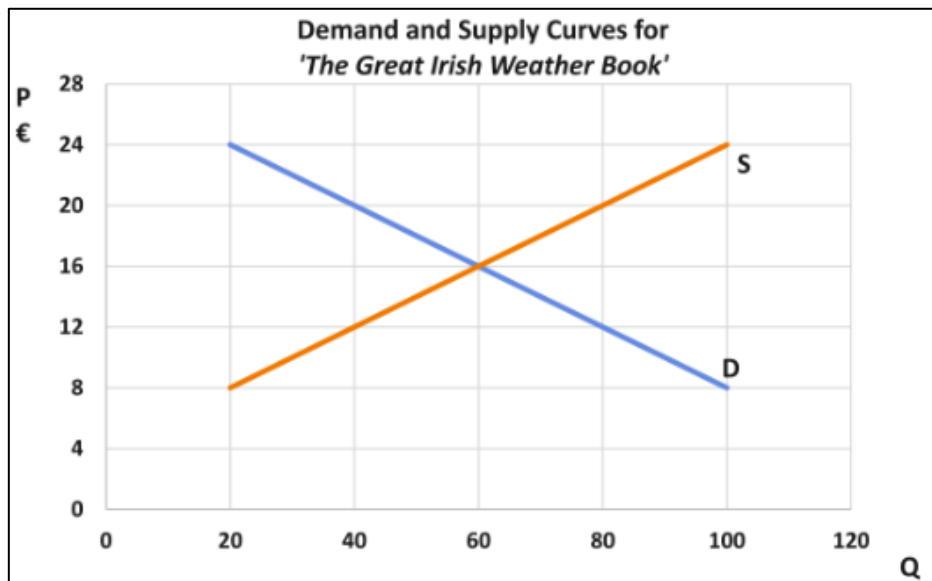
(vi) Outline two possible costs for new chapter with investing in ICT

1.
2.

SUGGESTED SOLUTIONS

2019 - Question 16 - Part a (v - vi)

- (a) New chapter is an award-winning traditional bookshop located in Tinahely, Co. Wicklow. The demand and supply curves for one of its books 'The Great Irish Weather Book' are shown in the diagram below.



- (v) Investing in Information and Communication Technology (ICT) can bring many benefits to a local business-like New Chapter

Illustrate how the business could use technology to its advantage.

Electronic Data Interchange - is a technology that allows the exchange of business documents, such as purchase orders and invoices, electronically between different companies' computer systems. This technology can help New Chapter to improve the speed, accuracy, and efficiency and reduce the need for paper-based documents and manual data entry. It will keep track of the stock of books for new chapter and will send order when book stocks get to a certain amount. This will mean they will not run out of books
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(vi) Outline two possible costs for new chapter with investing in ICT

1. Infrastructure - The upfront capital expenditure in hardware and software can be very expensive for New Chapter. They will also have to maintain and purchase upgrades to ensure systems remain up-to-date and secure.
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2. Labour - There will be upfront investment in training and development to ensure employees have necessary digital skills. There will also be Ongoing costs related to such as salaries for IT staff and expenses related to cybersecurity.
