



# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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**MAIN EXAMINATION**

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**SEPTEMBER –DECEMBER 2021**

**FACULTY OF ARTS AND SOCIAL SCIENCES**

**DEPARTMENT OF ECONOMICS**

**REGULAR PROGRAMME**

**EFM 813: FINANCIAL INFORMATION MANAGEMENT SYSTEMS**

**Date: DECEMBER 2021**

**Duration: 3 Hours**

**INSTRUCTIONS: Answer Question ANY FOUR Questions**

Q1. Internet technology is now becoming a major platform for electronic finance.

- a) Explain how the following technologies contribute to effective electronic Finance platform:
  - i. Blockchain **(5 marks)**
  - ii. Cryptocurrency mining **(5 marks)**
- b) Explain electronic options and how it is increasingly becoming acceptable medium of investments online. **(10 marks)**

Q2. The emergence of electronic finance has made it possible for electronic banking which has revolutionized the way banking services is offered.

- a) Explain the various ways modern electronic banking has improved banking industry services. **(12 marks)**
- b) What are the challenges/risks that arose as a result of increased adoption of electronic banking? **(8 marks)**

Q3. The management of every organization should be the ones involved in sourcing software systems for the organization functions.

- a) What are the justifications of management involvement in sourcing and implementation of software systems in an organization? **(4 marks)**

- b) What are the three main sources an organization can source software from?  
(6 marks)
- c) What are the advantages and disadvantages of sourcing software from either of the three sources above.  
(10 marks)

Q4. The management of your organization has entrusted you with the role of advising the procurement department on the ideal computer specifications of thirty computers to be acquired for the finance department.

- a) Prepare a report of the specifications required of the computers, taking into account; the latest specifications of computers currently available in the market and the nature of function the computers are to be used for. (12 marks)
- b) Identify any three sources the accounting application software can be sourced from. (8 marks)

Q5. Whenever there is a change of a system, the implementation team experiences challenges of resistance from users.

- a) Explain the general and specific reasons why individual employees may resist change to the new system. (12 marks)
- b) What are the strategies for management of change in an organization? (8 marks)

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