

**QUESTION BANK**

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1. Strategy ----- is the final step of strategic management.
  - a) formulation
  - b) implementation
  - c) evaluation
  - d) planning
  
2. Full form of KPO is \_\_\_\_\_ process outsourcing.
  - a) knowledge
  - b) known
  - c) Kotak
  - d) none of these
  
3. Supplier is a part of factor of the \_\_\_\_\_ business environment.
  - a) internal
  - b) micro
  - c) macro
  - d) fixed
  
4. \_\_\_\_\_ basically start for short term benefits.
  - a) foreign collaboration
  - b) joint venture
  - c) franchise
  - d) diversification
  
5. \_\_\_\_\_ are the most common reasons for restructuring a company.
  - a) downsizing
  - b) buyouts
  - c) technology
  - d) all of these
  
6. A \_\_\_\_\_ is characterized by the purchase of a smaller company by a larger one.
  - a) merger
  - b) takeover
  - c) joint venture
  - d) none of these
  
7. \_\_\_\_\_ statement answers the question where we want to be
  - a) mission
  - b) objective
  - c) vision
  - d) none of these

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8. \_\_\_\_\_ strategy is one of the business level strategies.
- a) financial
  - b) value creating
  - c) human research
  - d) differentiation
9. In the full form of PPP includes one of the p is \_\_\_\_\_.
- a) people
  - b) private
  - c) partner
  - d) all of these
10. Operational strategy includes internal business functions such as \_\_\_\_\_.
- a) building or purchasing back office
  - b) outsourcing front office
  - c) outsourcing both a and b
  - d) none of these
11. Strategy is developed by the visionary chief executive in \_\_\_\_\_ mode of strategic management.
- a) planning mode
  - b) adaptive mode
  - c) strategic mode
  - d) entrepreneurial mode
12. Stability strategy is a \_\_\_\_\_ strategy.
- a) corporate level
  - b) business level
  - c) functional level
  - d) strategic level
13. \_\_\_\_\_ are the means by which long term objectives will be achieved?
- a) Strategies
  - b) Policies
  - c) Strength
  - d) Opportunities
14. Marketing strategy is a \_\_\_\_\_ type of strategy.
- a) business level
  - b) Growth strategy
  - c) corporate strategy
  - d) functional strategy
15. When an industry relies heavily on government contracts, \_\_\_\_\_ forecasts can be the most important part of an external audit.
- a) Economic
  - b) Competitive
  - c) Political
  - d) Multinational

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16. A possible and desirable future state of an organization is called \_\_\_\_\_.
- a) Mission
  - b) Vision
  - c) Strategy implementation
  - d) Strategy formulation
17. Question mark in BCG matrix symbolizes \_\_\_\_\_.
- a) Remain Diversified
  - b) Invest
  - c) Liquidate
  - d) Stable
18. Selling all of a company's assets in parts for their tangible worth is called \_\_\_\_\_.
- a) Divestiture
  - b) Concentric Diversification
  - c) Liquidation
  - d) Unrelated integration
19. Cash Cows in BCG matrix symbolize \_\_\_\_\_.
- a) Remain Diversified
  - b) Invest
  - c) adopt Stability strategy
  - d) Liquidate
20. The BCG matrix is based on \_\_\_\_\_.
- a) Industry attractiveness and Business strength
  - b) Industry Growth rate and Business strength
  - c) Industry Attractiveness and Relative Market share
  - d) Industry growth rate and relative market share
21. One of the reasons for diversification is \_\_\_\_\_.
- a) to reduce completion
  - b) to increase organizational capabilities
  - c) to get tax advantage
  - d. to get quick entry in the business
22. Strategic Management is meant for handling \_\_\_\_\_.
- a) External Issues
  - b) Management issues
  - c) Internal issues
  - d) Administrative Issues
23. In relation to strategic thinking how long is 'Long Term'?
- a) One Year
  - b) Two Years to Three Years
  - c) Three Years to Five Years
  - d) More than Five Years

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24. Buying one company by another company is called \_\_\_\_\_.
- a) Joint Venture
  - b) Acquisition
  - c) Amalgamation
  - d) Merger
25. What is the starting point of Strategic Management?
- a) Objective
  - b) Goals
  - c) Mission
  - d) Vision
26. Corporate Level Strategy deals with \_\_\_\_\_.
- a) Objectives of specific functions
  - b) Objectives of the Corporate
  - c) Objectives of specific operations.
  - d) Objectives of single strategic business unit
27. Which is the best statement that represents a firm's big picture statements that describes the desired end general in scope and not restrictive?
- a) Corporate Philosophy Statement
  - b) Company Creed
  - c) Vision Statement
  - d) Mission Statement
- 28 . All of the following are the key opportunities and threats in external environment because of political, government and legal forces except \_\_\_\_\_.
- a) Tax Rate
  - b) Social Security Program
  - c) Cross Border Relationship
  - d) Patent Law
29. The \_\_\_\_\_ type of strategies are of particular importance to global companies.
- a) Corporate
  - b) Functional
  - c) Competitive
  - d) Corporate and competitive
30. The two main reasons for mergers and acquisitions are \_\_\_\_\_.
- a) to increase managerial staff and to minimize economies of scale
  - b) to reduce tax obligations and increase managerial staff
  - c) to create seasonal trends in sales and to make better use of a new sales force
  - d) to provide improved capacity utilization and to gain new technology

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31. \_\_\_\_\_ are the guides to decision making.
- a) Rules
  - b) Procedures
  - c) Goals
  - d) Policies
32. In strategic thinking, the long term, is approximately \_\_\_\_\_ long.
- a) 1 month to 1 year
  - b) 2 to 3 years
  - c) 3 to 5 years
  - d) More than 5 years
33. Buying another company by one company means \_\_\_\_\_.
- a) Joint venture
  - b) Acquisition
  - c) Amalgamation
  - d) Merger
34. Low cost, Differentiation and Focus are examples of \_\_\_\_\_.
- a) Corporate strategies
  - b) Operational strategies
  - c) Business strategies
  - d) Functional strategies
35. \_\_\_\_\_ environment can create new market and new business segments?
- a) Political environment
  - b) Economic environment
  - c) Socio cultural environment
  - d) Technological environment
36. The word tactics is most likely to be associated with \_\_\_\_\_.
- a) Business strategy
  - b) Corporate strategy
  - c) Operational strategy
  - d) All of the above
37. Buyers market exist when \_\_\_\_\_.
- a) few suppliers in the market
  - b) buyers purchases in small volume
  - c) buyers purchases in large volume
  - d) product of suppliers are unique and differentiated
38. There are \_\_\_\_\_ cells are in a SWOT matrix.
- a) 9
  - b) 6
  - c) 3
  - d) 2

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39. The Reasons for diversification is\_\_\_\_\_.
- a) to reduce competition
  - b) to increase organizational capabilities
  - c) to get tax advantage
  - d) to get quick entry into a business
40. Strategic Management handles\_\_\_\_\_.
- a) external issues
  - b) management issues
  - c) internal issues
  - d) administrative issues
41. The starting point of strategic intent is\_\_\_\_\_.
- a) Objectives
  - b) Goals
  - c) Mission
  - d) Vision
42. Corporate level strategy deals with\_\_\_\_\_ .
- a) objectives of specific functions
  - b) objective of Single strategic Business Unit
  - c) objectives of the corporate
  - d) objectives of specific operations
43. From the following the activity which does not come under the primary activities of value Chain analysis is\_\_\_\_\_ .
- a) Operations
  - b) Technology development
  - c) Marketing and sales
  - d) Services
44. \_\_\_\_\_ can be identified as a best statement that represents a firm's big picture statements, describing a desired end state, general in scope and not restrictive.
- a) Corporate philosophy statement
  - b) Company creed
  - c) Vision statement
  - d) Mission statement
45. One of the top level manager of a large manufacturing plant uses to spend her day trying to ensure that the material waste is not more than 10% , she spends her day performing the management process of\_\_\_\_\_.
- a) Planning
  - b) Organizing
  - c) Leading
  - d) Controlling

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46. All of the following are key opportunities and threats in external environment because of political, government and legal forces except\_\_\_\_\_
- a) Tax rate
  - b) Social security program
  - c) Cross boarder relationship
  - d) Patent law
47. Bargaining power of customers is high if\_\_\_\_\_.
- a) Differentiation of competitors product is low
  - b) Switching costs are low for substitute products
  - c) The buyer has little information about the market
  - d) The buyer requires a high quality product for own production
48. The magnitude and changes that may affect an organization is survival owing to all of the following except\_\_\_\_\_.
- a) Merger-mania
  - b) Demographics
  - c) E-commerce
  - d) Dubious firms
- 49.\_\_\_\_\_ requires a firm to establish annual objectives, devise, policies, motivates employees and allocate resources for the execution of strategies.
- a) Strategy formulation
  - b) Strategy evaluation
  - c) Strategy implementation
  - d) Strategy estimation
50. The recommended length of an effective mission statement is\_\_\_\_\_.
- a) One page
  - b) Less than 200 words
  - c) One sentence of 10 to 20 words
  - d) There is no recommendation It can be as long as the management wants
- 51.\_\_\_\_\_ is the primary benefit brought from restructuring.
- a) employee involvement
  - b) cost reduction
  - c) increased morale
  - d) increased number and organizational hierarchy
52. Technological advancements can create \_\_\_\_\_ advantage besides many other existing powerful advantages for the businesses.
- a) Economic
  - b) Social
  - c) Environmental
  - d) Competitive

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53. \_\_\_\_\_ strategies aim at improving internal weakness by taking advantage of external opportunities.
- a) SO
  - b) WO
  - c) SW
  - d) ST
54. In the sketch of the BCG matrix, the label of the horizontal axis is\_\_\_\_\_.
- a) Industry growth rate
  - b) Market share
  - c) Market growth rate
  - d) Business strength
55. Functional level strategy directly supports \_\_\_\_\_.
- a) corporate strategy
  - b) business strategy
  - c) differentiation strategy
  - d) focus strategy
56. In the sketch of the BCG matrix, the label of the vertical axis is\_\_\_\_\_.
- a) Market growth rate
  - b) Business strength
  - c) Market share
  - d) Industry growth rate
57. The purpose of an activity map is\_\_\_\_\_.
- a) A system to facilitate better time-planning
  - b) It is used in business process reengineering to show how the different activities of an organisation are linked together
  - c) It is used to identify and understand strategic capability by mapping how the different activities of an organisation are linked together
  - d) A list of activities undertaken by an organisation
58. Industry/sector benchmarking compares\_\_\_\_\_.
- a) Organisational performance between firms/public sector organisations in different industries or sectors
  - b) Organisational performance between firms/public sector organisations in the same industry or sector
  - c) Organisational performance between firms/public sector organisations in different countries
  - d) Organisational performance between different divisions of the firm
59. Among the following statements the un true reg corporate strategies?
- a) They are concerned with the broad and more long-term issues of the organization
  - b) They are concerned with how the organization is going to compete in a specific business or industry
  - c) are concerned with the direction the organization is headed
  - d) They are concerned with the business(es) that the organization is in and the businesses they want to be in



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60. Abdullah group of industries is involved in the sale of its marginal business. It is most likely to say that Abdullah group is implementing which one of the following strategies?
- a) Retrenchment
  - b) Liquidation
  - c) Acquisition
  - d) Join venture
61. Which would be classified as a stakeholder?
- a) Communities
  - b) Banks
  - c) Suppliers
  - d) Communities Banks Suppliers
62. According to the BCG matrix SBU comprising products in an attractive industry but representing little market share would be referred to as \_\_\_\_\_.
- a) A cash cow
  - b) A star
  - c) A dog
  - d) A question mark
63. A company offers unique products that are widely valued by customers, it is likely to follow a \_\_\_\_\_.
- a) Differentiation strategy
  - b) Combination strategy
  - c) Focus strategy
  - d) Cost-leadership strategy
64. The following are considered grand strategies, except for \_\_\_\_\_.
- a) A retrenchment strategy
  - b) Strategic business units
  - c) A growth strategy
  - d) Related diversification
65. Strategic business units \_\_\_\_\_.
- a) Are found in one-business organisations
  - b) Carry out strategies assigned by the CEO
  - c) Develop their own unique way of competing
  - d) Implement the marketing function's strategic planning and management decisions
66. Marketing current products with possible modifications and range increases is also known as what?
- a) Retrenchment
  - b) Market penetration
  - c) Product development
  - d) Market development

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67. Retrenchment is\_\_\_\_\_.
- a) When a company experiences declining profits and makes cutbacks to improve efficiency
  - b) When a company adopts a new strategic position for a product or service
  - c) The sale of the complete business, either as a single going concern or piecemeal to different buyers or sometimes by auctioning the assets
  - d) likely to take place when an organization lacks a key success factor for a particular market
68. Divestment is what kind of strategy?
- a) An asset-reduction strategy
  - b) A weakness-reduction strategy
  - c) A product-reduction strategy
  - d) A cost-reduction strategy
69. In which of the following scenarios is a joint venture likely to be more attractive than acquisition?
- a) Horizontal integration
  - b) Vertical integration
  - c) New market entry
  - d) Larger resource pool
70. Corporate governance is concerned with\_\_\_\_\_.
- a) Executive remuneration, disclosure of information, auditing and accounting procedures, and organizations' management structures
  - b) Elections to the board of directors
  - c) Relationships with national governments
  - d) Corporate-level strategy
71. The slowest way to grow a business is likely to be through\_\_\_\_\_.
- a) A merger
  - b) outsourcing
  - c) Internal development
  - d) A strategic alliance
72. A joint venture can be defined as\_\_\_\_\_.
- a) Two firms collaborate together on a specific project
  - b) One firm licenses its intellectual property to another firm
  - c) Two firms merge together
  - d) Two firms come together to form a third, legally separate firm
73. Which of the following is not a recognized element of corporate strategy?
- a) Competitive advantage
  - b) Closure
  - c) Acquisition
  - d) Divestment

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74. \_\_\_\_\_ refers to the purposes an organization strives to achieve.
- a) Strategic Intent
  - b) Strategic Formulation
  - c) Strategic Implementation
  - d) Strategic Control
75. Which of the following statements is false? Formal strategic planning \_\_\_\_\_.
- a) implies determined actions for achieving objectives
  - b) is a time consuming process
  - c) should develop clear and rigid plans for the organization to implement
  - d) is most applicable in stable environments
76. Which one of the following is of concern for not-for-profit organizations?
- a) The markets to service
  - b) Identifying suppliers to deal with
  - c) Developing capabilities
  - d) Building monopolies
77. The impact of strategies on the general direction and basic character of a company is \_\_\_\_\_.
- a) short range
  - b) medium range
  - c) long range
  - d) minimal
78. Which of the following is a key external factors that should be taken into account by a corporate strategy?
- a) economic conditions
  - b) political conditions
  - c) legal environments
  - d) competition
79. Which one of the following would not be considered a functional strategy?
- a) Financial
  - b) Marketing
  - c) Product-market
  - d) Operations
80. A question for business level strategy would be \_\_\_\_\_.
- a) Which industries do we want to be in?
  - b) How should the businesses be related?
  - c) How should the business compete in its market?
  - d) How should resources be shared amongst the businesses?