

Chapter – 1 Introduction to Strategic Management

Set-1

1. Strategy is a game plan used for which of the following?
(a) To take market position
(b) To attract and satisfy customers
(c) To respond to dynamic and hostile environment
(d) All of the above
2. Which of the following is correct?
(a) Strategy is always pragmatic and not flexible
(b) Strategy is not always perfect, flawless and optimal
(c) Strategy is always perfect, flawless and optimal
(d) Strategy is always flexible but not pragmatic
3. Strategy is-
(a) Proactive in action
(c) A blend of proactive and reactive actions
(b) Reactive in action
(d) None of the above
4. Reactive strategy can also be termed as-
(a) Planned strategy
(b) **Adaptive strategy**
(c) Sound strategy
(d) Dynamic strategy
5. Formulation of strategies and their implementation in a strategic management process is undertaken by-
(a) Top level executives
(b) Middle level executives
(c) Lower level executives
(d) All of the above
6. Which of the following are responsible for formulating and developing realistic and attainable strategies?
(a) Corporate level and business level managers
(b) Corporate level and functional level managers
(c) Functional managers and business level managers
(d) Corporate level managers, business level managers and functional level managers
7. Which of the following managers' role is to translate the general statements/ strategies into concrete strategies of their individual businesses-
(a) Supervisor
(b) Functional Manager
(c) CEO of the company
(d) All of the above
8. Which statement should be created first and foremost?
(a) Strategy
(b) Vision
(c) Objectives
(d) Mission
9. Strategic management enables an organization to _____, instead of companies just responding to threats in their business environment.
(a) be proactive
(b) determine when the threat will subside
(c) avoid the threats
(d) defeat their competitors
10. Read the following three statements:
(i) Strategies have short-range implications.
(ii) Strategies are action oriented.
(iii) Strategies are rigidly defined.
From the combinations given below select an alternative that represents statements that are true:
(a) (i) and (ii)
(b) (i) and (iii)
(c) (ii) and (iii)
(d) (i), (ii) and (iii)
11. What involves formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives?

- (a) Strategy formulation (b) Strategy evaluation
(c) Strategy implementation **(d) Strategic management**
12. Strategic management allows an organization to be more
(a) Authoritative (b) Participative (c) Commanding **(d) Proactive**

Set-2

13. For an entrepreneur
(A) Vision is before the mission (B) Mission is before the vision
(C) Both are developed simultaneously (D) Vision or mission are un-important issue
14. Which one of the following statement is NOT correct?
(A) Vision is the statement of the future.
(B) The corporate mission is the purpose or reason for its existence.
(C) Targets are formed from vision and mission statement of organizations.
(D) Goals are objectives that are scheduled for attainment during planned period.
15. Which of the following statements can be closely related with the Mission?
(A) It includes definition of products & services the organization provides.
(B) It specifies management policies towards customers and societies.
(C) It provides a roadmap to company's future.
(D) It indicates the kind that company management is trying to create for future.
16. Which one of the following is NOT the benefit of a Vision?
(A) It helps in the creation of common identity and a shared sense of purpose.
(B) It fosters risk taking and experimentation.
(C) It fosters short-term thinking.
(D) It represents integrity.

Set-3

17. According To Level, Strategies Are Corporate, Business &.....
a) Global b) Intermediate **c) Functional** d) Financial
18. Which one is not true about the strategy
a) It is a game plan b) It is a long range blueprint
c) It is only for short period of time d) It must be flexible and realistic
19. Strategy is partly proactive and partly
a) Receptive **b) Reactive** c) Repetitive d) Replicative
20. Limitations of strategic management are....
a) Highly Complex and turbulent b) Time consuming process
c) Costly process **d) All of above**
21. The overall objective strategic management are twofold:
a) To create competitive advantage, to make profit
b) To create competitive advantage, to become number one company
c) To create competitive advantage, to guide the company successfully
d) None of the above
22. Functional level managers are responsible for Specific or operations.
a) Activities **b) Business functions**
c) Corporate functions d) All of the above
23. In a large organization, strategic management activities occur at what levels?
a) Corporate and divisional only
b) Divisional
c) Strategic business unit only
d) Functional, divisional, and corporate
24. Dee Limited is an international clothing retailer. The company is making the following decisions:

- i. Should another range of shops be established?
ii. Should the company float more share capital?
iii. How will the premises be fitted out for the new range of shops? Which of the above decisions will be taken by corporate level managers?
a) Only (i) b) Only (ii) **c) (i) & (ii)** d) (ii) & (iii)
25. Velvet Limited is a full-service airline. The company is making the following decisions:
i. Should a 'no-frills', 'low-fare' subsidiary be set-up?
ii. If it is set-up, how should the cabin staff be recruited?
Which of the above decisions will be taken by corporate level managers?
a) Only (i) b) Only (ii) c) (i) & (ii) d) Neither (i) nor (ii)
26. Strategic decision making requires.....Involvement
a) Middle management b) Lower management
c) Top management d) None of the above
27. Strategic Intent Starts With:
a) Goals and Objective b) Mission and Goals
c) Business Model **d) Vision and Mission**
28. Which of these basic questions should a vision statement answer?
a) What is our business? b) Who are our competitors?
c) Where we are to go? d) Why do we exist?
29. Goals and objectives are the..... of strategic intent.
a) Starting point **b) Endpoint**
c) Midpoint d) All of the above
30. Strategic vision can be developed by thinking.....and preparing company for the future.
a) Strategically **b) Creatively** c) Knowingly d) None of the above
31. Objectives can be
a) Only short term b) Only long term
c) Short term and long term both d) None of the above
32. Strategic management model consists of following three activities.
a) Analysis, valuation, execution
b) Formulation, implementation, evaluation
c) Formulation, analysis, implementation
d) Evaluation, analysis, implementation
33. An important activity in _____ is taking corrective action.
a) Strategy evaluation b) Strategy implementation
c) Strategy formulation d) Strategy leadership
34. Corporate goals and objective flow from the.....and growth ambition of the corporation.
a) Vision **b) Mission** c) Intent d) All of the above
35. Developing a vision and mission, identifying an organization's external opportunities and threats, and determining internal strengths and weaknesses are all activities.
a) strategy-formulation b) strategy-implementation
c) Long-range planning d) short-range planning
36. Which of these basic questions should a mission statement answer?
a) **What is our business?** b) Who are our competitors?
c) Where we are to go? d) Why do we exist?
37. Members of Infinite Care, an NGO, have met and determined that they need to formulate a philosophical basis for their activities. Thereby they have come up with a statement:-
"Provide children till age 12, living in homeless or low-income situations, with the essential items they need to thrive – at home, at school and at play" Identify the area of strategic intent, which the members have stated?
a) Vision b) Business definition c) Goal and Objective **d) Mission**
38. What are the means by which long term objectives will be achieved?

- a) Policies b) Opportunities c) Vision **d) Strategies**
39. What is the first step in the comprehensive strategic-management model?
a) Developing vision and mission statements
 b) Performing external audits
 c) Measuring and evaluating performance
 d) Establishing long-term objectives
40. Developing vision and mission, identifying an organisation's external opportunities and threats, and determining internal strengths and weaknesses are:
 a) SBU planning **b) Strategy formulation**
 c) Strategy implementation d) Business process reengineering
41. Strategic Planning is the responsibility of:-
a) Corporate level managers b) Operational managers
 c) Functional managers d) Business level managers
42. Business Level Strategy Is Concerned With a Firm Position In an Relative to Its Competitors.
 a) Environment **b) Industry** c) Country d) Competition
43. Changes In Corporate Strategy Often Require Changes In The Way An Organization Is.....
 a) Working b) Implementation **c) Structured** d) Doing
44. Vision ispath the company should take and make changes in companies' product, market, customer, Technology etc.
 a) Growth b) Stability c) Expansion **d) Directional**
45. Corporate level strategy is concerned with the following-
 a) How do we want to compete?
b) Where do we want to compete?
 c) How to support the strategy implementation?
 d) All of the above

SET-4

46. When an industry relies on government contracts, which forecasts can be the most important part of an external audit
 a) Economic b) Competitive **c) Political** d) Multinational
47. Buyers market exist when:
 a) few supplies in the market
 b) buyers purchases in small volume
c) buyers purchases in large volume
 d) product of suppliers are unique and differentiated
48. 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
49. Internal analysis is done:
 a) Before external audit
 b) After external audit
c) Parallel to external audit
 d) Vertical to external audit
50. Which type of trend can be exemplified by the increasing numbers of two incomes households in a society ?
 a) Solid **b) Economic** c) Cultural d) Technological
51. Which of the following is not one of Porters five competitive forces?
 a) Bargaining power of suppliers

- b) Threats of new entrants and barriers to entry
c) Threats of technological advances
d) Threats of substitutes
52. 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
53. Which one of the following would not be considered a functional strategy?
a) Financial b) Marketing **c) Product-market** d) Operations
54. _____ strategy determines what businesses an organization should be in
a) Business b) Organizational c) Operational **d) Corporate**
55. Which of the following is a force in the Porter's five forces model of industry attractiveness?
a) Opportunity for new entrants
b) Opportunity for substitutes
c) Bargaining power of suppliers
d) Sustainable competitive advantage for customers
56. How is an organization most likely to secure and sustain a position of strength in its associated environment?
a) By seeking to influence and manage their external environment
b) By seeking to influence their competitors' environment
c) By seeking to influence and manage their internal environment
d) By seeking to restrict changes within their environment
57. Which of the following factors does not increase the bargaining power of a supplier?
a) Substitutability
b) Concentration of suppliers
c) A buyer is important to the supplier
d) High switching costs
58. Which of the following is a characteristic of a customer-driving organization?
a) Innovative b) Conservative **c) Responsive** d) Unresponsive
59. _____ involves surveillance of a firm's external environment to predict environmental changes to come and detect already under way
a) Environmental scanning
b) Environmental monitoring
c) Competitive intelligence
d) Environmental forecasting
60. The five forces model developed by _____ has been the most commonly used analytical tool for examining competitive environment.
a) Michael E Porter b) Lewis Charter c) Barrywell d) Schwiz
61. _____ refers to the ability buyers to bargain down prices charged by firms in the industry or driving up the costs of the firm by demanding better product quality and service
a) Bargaining power of suppliers
b) Threats of new entrants
c) Bargaining power of buyers
d) Threat of substitute products
62. The word strategy originated from _____
a) stratagos' b) stratum c) statistics d) straight
63. Value for shareholders of a firm is measured by :
a) customer comments
b) stock performance and profitability

- c) sales revenue
d) satisfactory employee targets
64. Cross-functional teams are :
a) a small group of people from the same department who work on projects together
b) a small group of people who come together to resolve business units issues
c) a small group of specialists who collaborate on a task force
d) a small group of people from different departments who are mutually accountable to a common set of performance goals
65. The will and anxiety to remain in business as long as possible, i.e. as a going concern.
a) Stability **b) Survival** c) Growth d) None of these
66. Which of the following is NOT an Input Resource
a) Men b) Material c) Method **d) End user**
67. Internal Factor(s) Governing Relationship between entity and environment.
a) Size of business
b) nature of Business
c) Professionalization
d) All of the above
68. Which of the following is NOT a characteristic of Business environment
a) Pervasive b) Dynamism **c) Competitor** d) Complexity
69. Which of the following is an element of Macro environment
a) Socio cultural Environment
b) Population & Demographic Environment
c) Economic Environment
d) All of the above
70. Problems in understanding Environmental Influences is (are)
a) Diversity b) Uncertainty c) Complexity **d) All of the above**
71. The game plan used by Management, to stake out market position, conduct its operations, attract and please customers, compete successfully, and achieve organizational objectives
a) Strategy b) Mission c) Vision d) None
72. An integrated set of functions and processes designed to initiate and unify group effort in a meaningful manner, and directed towards pursuing certain goals.
a) Management b) Objective c) Goal d) None of these
73. Careful planning and deliberate management is a
a) Reacting measure **b) Proactive measure**
c) Both d) None of these
74. Which of the following denote the importance of Strategic management
a) Decision making b) Future driven
c) Path Finding **d) All of the above**
75. Corporate Strategy include the determination of
a) Business Line b) Diversification
c) R and D Projects **d) All of the above**
76. Business Level Managers are
a) The Head of the concerned division
b) Translate the general statements of direction and intent that come from the corporate level, into concrete strategies for individual businesses
c) Pursue robust strategies that will contribute toward the maximization of long-run profitability
d) All of the above
77. An economic version of the technical objective of productivity is
a) Efficiency b) Effectiveness c) Production d) None of these
78. Which of the following is NOT a Macro-economic factor

- a) Economic b) Socio-cultural c) Technology **d) Market**
79. Strategy is a long range blueprint of an organization's
a) desired image b) direction c) destination **d) All of the above**
80. Divisional Managers in charge of separate areas of activity, and their staff are
a) Business Level Managers
b) Functions Level Managers
c) Functional Level Managers
d) None of these
81. Corporate level strategies are
a) Conceptual type
b) Operational type
c) Both
d) None of these
82. It provides an excellent vehicle to such social and charitable Institutions, for developing and justifying requests for needed financial support
a) Production Management
b) Strategic Management
c) Financial Management
d) None of these
83. An organisation during its strategy planning envisaged entire situation and created a strategy framework. But in mean time after implementation, it realised that its framework is not effective in certain unique unplanned situations. What could be the reason for such ineffectiveness ?
a) Strategy is "partly proactive and Partly reactive"
b) Lack of analysis and proper planning
c) Strategy is highly reactive and highly proactive
d) Improper creation of strategic framework
84. Ever Grand Group is a diversified company active in a wide range of business lines, including Financial services, Fertilizers, Information Technology enabled Services (ITes), FMCG and Real Estate. The Board of Directors understand the need of the hour and are determined to further develop the ITes business, whereby they want better allocation of human resources and provision of industry-best customer services. To achieve the same, they have suggested implementation of specific business strategies but the managers are facing difficulties in allocating the responsibility for implementation of the business strategy amongst them. You being a management expert, indicate the appropriate persons responsible for translating general statements and business strategies pertaining to the ITes Strategic Business Unit (SBU) and ensure a smooth implantation.
a) Corporate level managers
b) Functional level managers
c) General level managers
d) Business level managers
85. Which of the following is correct?
a) Strategy is always pragmatic and not flexible
b) Strategy is not always perfect, flawless and optimal
c) Strategy is always perfect, flawless and optimal
d) Strategy is always flexible but not pragmatic
86. Reactive strategy can also be termed as-
a) Planned strategy
b) Adaptive strategy
c) Sound strategy
d) Dynamic strategy
87. Formulation of strategies and their implementation in a strategic management process is

- undertaken by-
- a) Top level executives
 - b) Middle level executives
 - c) Lower-level executives
 - d) All of the above**
88. Which of the following are responsible for formulation and developing realistic and attainable strategies?
- a) Corporate level and business level managers
 - b) Corporate level and functional level managers
 - c) Functional managers and business level managers
 - d) Corporate level managers, business level managers and functional level managers**
89. Read the following three statements:
- a) Strategies have short- range implications.
 - b) Strategies are action oriented
 - c) Strategies are rigidly defined
- From the combinations given below select an alternative that represent statements that are true:
- a) (i) and (ii)**
 - b) (i) and (iii)
 - c) (ii) and (iii)
 - d) (i), (ii) and (iii)
90. What involves formulating, implementing and evaluating cross- functional decisions that enable an organization to achieve its objectives?
- a) Strategy formulation
 - b) Strategy evaluation
 - c) Strategy implementation
 - d) Strategic management**
91. Strategic management allows an organization to be more
- a) Authoritative
 - b) Participative
 - c) Commanding
 - d) Proactive**
92. A good business strategy is formulated based on an organisations'
- a) Weaknesses and Strengths
 - b) Opportunities and Threats
 - c) Both (a) and (b)**
 - d) Top Management's decisions
93. Which of the following statement's is true?
- a) Business policy is for small companies and strategy is for big companies.
 - b) Policy is a subset of strategy
 - c) Policy is made by corporate managers and strategy is made by business level managers
 - d) Policy talks about what do, and strategy talks about how to do.**
94. The strategic landscape of healthcare sector around the world is changing rapidly because of-
- a) Doctors Education Interests
 - b) Indian Nurses going to abroad
 - c) Internet and Technological advancement**
 - d) Patients being more aware

Chapter – 2
STRATEGIC ANALYSIS: EXTERNAL ENVIRONMENT
SET-1

1. KSFs stand for:
(a) Key strategic factors (b) Key supervisory factors
(c) Key success factors (d) Key sufficient factors
2. Competitive landscape requires the application of-
(a) Competitive advantage (b) Competitive strategy
(c) Competitive acumen **(d) Competitive intelligence**
3. The term PESTLE analysis is used to describe a framework for analyzing:
(a) Macro Environment (b) Micro Environment
(c) Both Macro and Micro Environment (d) None of above
4. 'Attractiveness of firms' while conducting industry analysis should be seen in-
(a) Relative terms (b) Absolute terms
(c) Comparative terms (d) All of the above
5. What is not one of Michael Porter's five competitive forces?
(a) New entrants (b) Rivalry among existing firms
(c) Bargaining power of unions (d) Bargaining power of suppliers
6. Which of the following constitute Demographic Environment?
(a) Nature of economy i.e. capitalism, socialism, Mixed
(b) Size, composition, distribution of population, sex ratio
(c) Foreign trade policy of Government
(d) Economic policy i.e. fiscal and monetary policy of Government
7. All are elements of Macro environment except:
(a) Society (b) Government **(c) Competitors** (d) Technology
8. The emphasis on product design is very high, the intensity of competition is low, and the market growth rate is low in the _____ stage of the industry life cycle.
(a) Maturity **(b) Introduction** (c) Growth (d) Decline

SET-2

9. Typically profits are highest in which stage of the industry life-cycle?
(A) Introduction **(B) Growth** (C) Maturity (D) Decline
10. In product life cycle, 'cash cows' indicates
(A) High share
(B) Low growth and negative cash flow
(C) High share, low growth and large positive cash flow
(D) Low share, high growth and large positive cash flow
11. Intensity of competition is in low return industries.
(A) low (B) non-existent **(C) high** (D) not important

SET-3

12. In Competitive Strategy.....Environment Effects.....Environment of The Firm.
a) Internal, External **b) External, Internal**
c) External, Company d) Government External
13. According to stages of Business Cycle, strategies can be at...
a) Introduction stage b) Growth stage
c) Maturity and decline stage **d) All of the above**

14. All Industries have some _____ which is basically product or service attribute which leads to have success in industry.
a) SF b) BSF c) CSF **d) KSF**
15. In value chain analysis primary activities consist of _____ main areas.
a) 2 b) 3 c) 4 **d) 5**
16. The emphasis on product design is very high, the intensity of competition is low, and the market growth rate is low in the stage of the industry life cycle.
a) Maturity **b) Introduction** c) Growth d) Decline
17. Which one is not a primary activity within value chain analysis.
a) Inbound logistic b) Operations
c) Outbound Logistics **d) Procurement**
18. 'Customer Analysis' and 'Market Analysis' are the part of _____.
a) Internal analysis b) Strategy identification and selection
c) External Analysis d) None of the above
19. 'Strategic group mapping' involves-
a) Identifying the strongest rival companies
b) Identifying weakest rival companies
c) Identifying weakest and strongest rival companies
d) None of the above
20. 'Inbound and Outbound logistics' are related to:
a) Supply Chain Management **b) Logistics Management**
c) Value Chain Analysis d) All of the above
21. Which of the following bases of competitive advantage is/are more sustainable:
a) Benefit-based competitive advantage
b) Price-based competitive advantage
c) Cost-based competitive advantage
d) All of the above
22. Nicole has inherited a restaurant from her uncle. The restaurant had been under-performing and was closed six months ago. Nicole wants to begin a new restaurant in the premises with a new name and new cuisine.
The following are primary activities of the value chain that Nicole should consider except:
a) In bound logistics: side of local, high quality produce for ingredients
b) Outbound logistics: consider delivery of the bound to table
c) Marketing: Presentation of meals
d) Technology: Advanced cooking equipment
23. 'Determinants Analysis' falls in the purview of? -
a) External competitive strategy analysis
b) Internal competitive strategy analysis
c) Strategic risk
d) Competitive landscape
24. Geographical Diversification, Product diversification and Entry Mode are the domains of:
a) Functional Strategy b) Business Strategy
c) Corporate Strategy d) All of the Above
25. According to Porter, what is usually the most powerful of the five competitive forces?
a) Rivalry among existing firms
b) Potential development of substitute products
c) Bargaining power of buyers and suppliers
d) Potential entry of new competitors
26. Michael porter's Five Force model is basically used for.....
a) Doing business **b) Competitive analysis**
c) Making control d) Having strategic change

27. Firms can sometimes insulate themselves from price war by.....their products from those of Rivals.
a) Making similar **b) Differentiating** c) Look alike d) All of above
28. According to Michael Porter, strategies allow organisation to gain competitive advantage from three different bases namely cost leadership, differentiation and.....
a) Best cost provider **b) Focus** c) unfocused d) none of the above
29. A firm successfully implementing a differentiation strategy would expect:
a) Customers to be sensitive to price increases.
b) To charge premium prices.
c) Customers to perceive the product as standard.
d) To automatically have high levels of power over suppliers.
30. A narrow market focus is to a differentiation based strategy as a
a) Broadly-defined target market is to a cost leadership strategy
b) Growth market is to a cost-based strategy
c) Technological innovation is to a cost-based strategy
d) Growth market is to a differentiation-based strategy
31. Companies in the strategic group can be arranged according to:
a) Geographical coverage b) Product lines
c) Distribution channel **d) All of the above**
32. A newspaper is planning for the next five years. Which of the following demographic influence(s) should it consider as part of its external environment analysis?
i. Tax on newspapers
ii. Import of raw materials will suffer if domestic currency weakens
iii. Increased mobility around the world requires different language version
iv. Carbon emissions from the use and products of paper – newspaper
a) (iii) & (iv) **b) Only (iii)** c) Only (iv) d) (ii), (iii), (iv)

SET-4

33. Strategic Responses to the environment includes
a) Conservation approach
b) Cautious approach
c) Confident approach
d) All of the above
34. Which of the following is NOT an External environment factor
a) Industry Opportunities
b) Industrial Threats
c) Company's Strength
d) None of the above
35. Which of the following is (are) part of competitive Landscape
a) Potential competitors and competitors already present in the market
b) Market share of the competitors
c) Financial position of the competitors
d) All of the above
36. Large co-operative networks of businesses are known as
a) Corporation **b) kleretsus** c) cartel d) None of the above
37. Which of the following is/are issue involved in strategic analysis
a) Internal factors **b) External factors** c) Time d) All of the above
38. _____ seeks to identify potential imbalances or risks and assess their consequences.
a) Strategic management
b) Strategic analysis
c) Strategic evaluation

- d) None of the above
39. _____ occurs on account of force of nature that are either within the organization or are directly interacting with the organization on routine basis
- a) External risk **b) Internal risk** c) Both d) None of the above
40. Short term and Internal nature of strategic risk results in
- a) Errors in interpreting the environment can cause strategic failure.
b) Changes in the environment can lead to obsolescence of strategy.
c) Organizational capacity is unable to cope up with strategic demands.
d) Inconsistencies with the strategy are developed on account of changes in internal capacities and preferences.
41. Long term and external nature of strategic risk results in
- a) Errors in interpreting the environment can cause strategic failure.
b) Changes in the environment can lead to obsolescence of strategy.
c) Organizational capacity is unable to cope up with strategic demands.
d) Inconsistencies with the strategy are developed on account of changes in internal capacities and preferences.
42. The elements NOT to be considered in a Strategic "Situational" Analysis are
- a) Environmental analysis
b) Opportunity and issues
c) Competition
d) None of the above
43. External environment Analysis is
- a) Evaluation of opportunities, threats, trends and uncertainties**
b) evaluation of strategic strengths, weaknesses, problems, constraints and uncertainties
c) Both
d) None of the above
44. External environment Analysis includes
- a) Buying Habits of Customers
b) Business objectives
c) Supplier Bargaining Power
d) All of the above
45. The dominant economic features of the industry is called
- a) Triggers
b) Market position
c) Key Industry Traits
d) All of the above
46. Intensity of competition arises on account of
- a) Rival sellers
b) New entrants
c) Substitute products
d) All of the above
47. The common driving forces prevailing in the industry are
- a) Increasing globalization
b) Product innovation
c) Changes in cost structure and efficiency
d) All of the above
48. Companies in the same strategic Group have commonality in which of the following aspects
- a) Product - lines
b) Price / Quality range
c) Distributions and Marketing channels
d) All of the above

49. The competitive characteristics that differentiate the firms in the industry are
- Geographic coverage
 - Degree of vertical Integration
 - Degree of service offered
 - d) All of the above**
50. _____ are the elements that affect the ability of a Firm/ Industry to prosper in the marketplace.
- Triggers
 - Market position
 - c) Key Success factors**
 - None of the above
51. Key success factors are determined based on which of the following elements
- Basis on which the customers choose between competing brands of sellers
 - Resources and competitive capabilities a seller needs in order to be successful
 - Way in which the sellers achieve a sustainable competitive advantage
 - d) All of the above**
52. _____ is position of a Firm to maintain and sustain a favourable market position when compared to its competencies
- core competencies
 - Competitive capabilities
 - c) Competitive advantage**
 - None of the above
53. To survive and prosper in an industry, a Firm must meet which of the following criteria
- Supply what customers want to buy
 - Survive competition
 - c) Both**
 - None of the above
54. A Firm enjoys a _____ if its total costs are lower than the market average
- Differentiation advantage
 - b) Low cost advantage**
 - Value chain
 - None of the above
55. Low cost advantage is gained by
- Innovative process technology
 - Economies of scale
 - Superior operating management
 - d) All of the above**
56. Superior relative cost position offers customers
- better value for an equivalent price
 - b) equivalent value for a lower price**
 - Both
 - None of the above
57. _____ is the satisfaction or happiness that customers obtain from consumption / usage of the product
- Cost
 - Value
 - c) Utility**
 - Price
58. Which of the following is involved in value chain analysis
- Internal cost analysis
 - Vertical Linkage analysis
 - Differentiation analysis
 - d) All of the above**
59. Core competencies can be identified in which of the following areas
- Entire entity

- b) Customer value
 - c) Competitor differentiation
 - d) All of the above**
60. What does Question mark symbolize in BCE matrix ?
- a) Remain Diversified**
 - b) Invest
 - c) Stable
 - d) Liquidate
61. 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**
62. From the following activity which does not come under the primary activities of value chain analysis:
- a) Operations
 - b) Technology development**
 - c) Marketing and sales
 - d) Services
63. The sketch of the BCG matrix, what is the label of the horizontal axis ?
- a) Industry growth rate
 - b) Market share**
 - c) Market growth rate
 - d) Business strength
64. 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**
65. The value chain is subdivided into two main headings. These are primary activities and:
- a) Peripheral activities
 - b) Support activities**
 - c) Secondary activities
 - d) Outsourced activities
66. The acronym SWOT stands for
- a) Special weapons for Operations Timeliness
 - b) Services, worldwide optimization and Transport
 - c) Strengths, Weakness, opportunities and Threats**
 - d) None of the above
67. Ansoff's growth vector matrix is used for
- a) Analyzing the different strategic directions an organization can pursue**
 - b) analyzing the balance of the portfolio
 - c) assessing whether the corporate parent is adding value
 - d) Assessing the market share of a business
68. Which of these questions is not addressed by an effective business model ?
- a) What do customers value today ?
 - b) Who are our customers ?
 - c) What does the organization produce ?
 - d) None of the above**
69. _____ are the organizations major value creating skills, capabilities and resources that determine the organizations competitive weapons
- a) Strengths
 - b) Opportunities
 - c) Core competencies**
 - d) Weaknesses
70. The merging of analysis of internal and external factors influencing the organizations strategy is known as
- a) Complete studies
 - b) Organizational behavior and theory
 - c) definitional analysis

d) SWOT analysis

71. What would NOT be a reason for a company to engage in international business ?
a) TO maximize competitive risk
 b) TO acquire resources
 c) TO expand sales
 d) To diversify sources of sales and supplies
72. International business has recently grown at such a rapid pace because of
 a) Stricter government policies on cross-border movements
b) development of institutions to support and facilitate trade
 c) decreasing global competition
 d) Companies increased concerns with terrorism
73. An investment that gives the investor a controlling interest in a foreign company is known as which of the following ?
 a) Foreign portfolio investment
b) Foreign direct investment
 c) mixed venture
 d) pure venture
74. Which of the following is skill required by organization to deal with competitive chaos ?
 a) The ability to share information among all managers
 b) The ability to operate efficiently and effectively
c) The ability to discern patterns in the dynamic environment and competitive chaos, and spot opportunities to benchmark competitors
 d) the ability to benchmark competitors
75. _____ refers to the strategies and counter strategies of a firm that compete in a shared market place
 a) Retrenchment strategy
 b) **Competitive gaming**
 c) Business strategy
 d) Corporate strategy
76. In business, _____ generally refers to the fight for market share which serves the same basic customer needs
a) competition
 c) Rivalry
 b) Composition
 d) None of the above
77. Explosive growth cannot be maintained indefinitely. Sooner or later, the rate of growth slows and the industry enters the _____
 a) Embryonic stage
 b) Growth stage
c) Decline stage
 d) Maturity stage
78. A _____ is a limitation or deficiency in resources, skills and capabilities that seriously impedes effective performance
 a) Strengths
 b) Threat
 c) Opportunities
d) Weakness
79. The concept core competence was developed by _____
 a) Schwab
 b) Peter Schiffman
c) Prahalad and Gary
 d) None of the above
80. _____ is also known as corporate appraisal, appraisal of internal factors and audit of organizational competence
a) Organizational analysis
 c) Industry analysis
 b) Environmental analysis
 d) Business analysis
81. Which of the following is not an element of the growth/ market options matrix developed by Ansoff ?
 a) Market development
 b) Diversification
 c) Product development
d) Market segmentation
82. Which of the following is not a key theme in market development ?
 a) Identifying new uses for existing products and services
 b) Strategic positioning

- c) Developing new products for new markets and segments**
d) Identifying new markets and segments
83. Firm that practice unrelated mergers _____
a) conglomerate b) hostile c) friendly d) retrenchment
84. A useful framework used to assess a company's investments/ divisions is called:
a) unit production analysis b) corporate insight analysis
c) company productivity analysis **d) business portfolio analysis**
85. Business unit competencies should be distinctive enough to provide a(n) :
a) clear understanding of who you want to lead the company
b) competitive advantage
c) opportunity to compete on a productivity basis
d) additional strategic mission
86. An effective short-hand summary of the situation analysis is a :
a) BCG analysis b) SWOT analysis c) SBU analysis d) Competition analysis
87. Situation analysis allows the organization to examine :
a) external factors only
b) Internal factors only
c) the organization's top management only
d) both external and internal factors
88. What are core competences ?
a) Resources which critically underpin competitive advantage and that others cannot obtain
b) Activities and process needed to meet customers' minimum requirements and there fore to continue to exist
c) Key skills required for success in a particular business
d) Activities that underpin competitive advantage and are difficult for competitors to imitate or obtain
89. Which of the following includes Internal linkages
a) Between primary activities b) Between primary and support activities
c) Between support activities **d) All of the above**
90. Which of the following features of Resources and capabilities, have an influence on the time period upto which competitive Advantage can be sustained and continuously earned by the firm
a) Durability b) Limitability c) Transferability **d) All of the above**
91. _____ is an inherent limitation or constraint which create a strategic disadvantage.
a) Strength **b) Weakness** c) Opportunity d) Threat
92. _____ is an unfavorable condition in the firm's environment which creates a risk for, or causes damage to, the firm
a) Strengths b) Weakness c) Opportunity **d) Threat**
93. SWOT Analysis provides a logical framework for systematic and sound analysis of issue having bearing on which of the following
a) business situation b) generation of alternative strategies
c) choice of a strategy **d) All of the above**
94. _____ is a unit of the company that has a separate mission and objectives, and which can be planned independently from other company businesses
a) SBU b) Partnership company
c) Public company d) None of the above
95. Which of the following factors result in Experience curve
a) Learning Effects b) Economies of scale
c) technological improvements production **d) All of the above**
96. Sales volume is low in which stage of PLC

- a) Introduction** b) Growth c) Maturity d) Decline
97. In which stage of PLC there is Fierce competition
a) Introduction b) Growth **c) Maturity** d) Decline
98. "Build" in BCG stands for
a) Increase Market share b) Preserve Market share
c) Increase short term cash flow d) Sell or liquidate the business
99. "Harvest" in BCG stands for
a) Increase Market share b) Preserve Market share
c) Increase short term cash flow d) Sell or liquidate the business
100. Market Penetration stands for
a) Sell existing products into existing markets
b) sell existing products into new markets
c) Introduce new products into existing markets
d) Sell new products in new markets.
101. Product Development stands for
a) Sell existing products into existing markets
b) Sell existing products into new markets
c) Introduce new products into existing markets
d) Sell new products in new markets.
102. Which of the following is an aspect of Environmental assessment
a) Embryonic stage b) Growth c) Maturity **d) All of the above**
103. ____ may be attributable either to a monopoly or a strong and protected technological leadership
a) Dominant b) Strong c) Tenable d) Weak
104. The dimensions analyzed in GE Model are
a) Market Attractiveness b) Business Position
c) Both d) None of the above
105. Which following factors of Global Environment should be assessed
a) Potential positive and negative impact of significant international events
b) Identification of changing and emerging global markets
c) Differences between cultural and institutional attributes of individual global markets
d) All of the above
106. ____ is a worldwide enterprise chartered by a substantially non-political international body such as IMF or world bank
a) Multi-national company **b) Super National enterprise**
c) Private company d) None of the above
107. Which of the following is/are the important effects/ manifestations of Globalization
a) Lower Trade barriers b) Infrastructure
c) Global locations **d) All of the above**
108. ABC Ltd. Has identified that all three of its main products are at the maturity phase of the product life cycle. Which of the following is ABC Ltd. Likely to be experiencing due to this ?
a) High, but declining sales
b) Growing numbers of competitions
c) Product diversification and differentiation strategies
d) Adoption of price skimming strategies
109. A beverage company has more than 500 soft drink brands, but none of them is anywhere close to its premium brand one sip in awareness, revenue and profits. As per BCG's Matrix, One Sip brand for the beverage company is ?
a) Star b) Dog **c) Cash cow** d) Question mark
110. Baba Pvt Ltd has seventeen factories, nine of which they recently gave to other

- producers on lease. This has increased their cash inflows to a great extent, and they are enjoying this surplus by investing the same in financial assets. Such a strategy can be termed as which of the following ?
- a) Divest **b) Harvest** c) Hold d) Build
111. Shreya, the owner of kalakaari boutiques, wanted to reduce uncertainty of their business strategy for which she gathered a lot of information from peers, groups, industry reports and experts. But it did not give her comfort to take up new strategies. What tool can help her in this regard ?
- a) Risk Analysis b) BCG Analysis c) ADL Matrix **d) Scenario Analysis**
112. During which stage of the product Life cycle will marketing strategies need to concentrate on differentiating a product from competing products, building brand loyalty and offering incentives to attract competitor's customers to switch ?
- a) Decline b) Growth **c) Maturity** d) Introduction
113. In context to BCG matrix, which of the following statements is not correct ?
- a) The BCG assumes that all products will grow and mature**
b) The BCG can be used to examine a company's current product portfolio
c) A company with only cash cows and dogs has limited long-term prospects
d) All of the above
114. Catalyst polymers, a textile producing firm, has witnessed unprecedented sales growth in the last few years due to favorable market conditions abroad. As a result, the company diversified its activities to chemical Manufacturing, Steel forging and Metal Dye Manufacturing. The investment in steel forging in particular has not been successful due to strict environmental laws enacted by the government. The said strategic business unit(SBU) though generates enough cash to sustain but does not have much future and sometimes requires cash for survival. Consequently, the management has engaged an expert in the field to help them classify the SBUs. Employing the Boston consulting Group (BCG) Growth-Share Matrix, the expert advised the company to disinvest or liquidate steel forging SBU. Classify the steel forging SBU into the most appropriate matrix.
- a) Star b) cash cow c) Question mark **d) Dog**
115. Spark Pvt. Ltd., an automobile seat manufacturing company has been witnessing superior growth compared to its competitors due to management's greater emphasis on quality of production. In the previous Board Meeting, the management has decided to expand the existing business. The CEO will be travelling to south-east Asia and Africa for identifying new geographical places and new product dimensions and will try to establish new distribution channels to attract new customers abroad. Based on the Igor Ansoff's product market growth matrix, identify which of the growth strategy the company is employing in the current case.
- a) Market penetration b) Product development
c) Market development d) Diversification
116. The specialist Clothing company (SCC) is a manufacturer of a wide range of clothing. Fashion is one of the five divisions of SCC. Fashion is operating in a market with high growth and is market leader. By the next year, it is predicted to have 10% of the market share in a growing market. Fashion should be classified as which of the following according to the BCG matrix.
- a) Star** b) Dog c) Cash cow d) Question mark
117. NS is the market leader in sportswear in Beeland, selling a variety of sportswear products. The board has recently instituted a review of the competitive position of NS by commissioning a SWOT analysis. Match the columns in respect of the following elements of SWOT analysis:

Column-A	Column-B
----------	----------

1) Excellent brand awareness of NS	(i) Strength
2) New product to be introduced by NS in the market for new sport at the world championship	(ii) Weakness
3) Child labour scandal in the sportswear industry impact on the image of NS due to growth of social media	(iii) Opportunities
4) Loss of key brand ambassador of NS	(iv) Threats

- a) (1) - (iii), (2) - (i), (3) - (ii), (4) - (iv)
b) (1)-(i), (2) - (ii), (3)-(iii), (4)-(iv)
c) (1)-(i), (2)-(iii), (3)-(iv), (4)-(ii)
d) (1)-(i), (2) - (iii), (3)-(ii), (4)-(iv)

118. Freshy Drinks provides fruit juices to a number of super market chains that sell them under their own label. Its marketing manager explains, 'We' have got a large number of products. Our freshly squeezed orange juice is doing fine (high market share). The market for orange juice appears to be matured (low growth). We've got advanced production and bottling equipment and long-term contracts with some of major growers. Which position best fits the "orange juice product" as per BCG matrix ?

- a) cash cow** b) Question mark c) Star d) Dog

119. An advertising company has 12 staff -4 of whom are joint owners. It has a strong client base across many industries such as healthcare, training, publishing and sport. However, it has never taken working capital management and the financial side of the business seriously even to the extent that it can never be sure that the clients are billed properly. It now has a chance to bid for a new large, national contract from a major company. Match the columns in respect of the following elements of SWOT analysis :

Column- A	column- B
1) Tender for a major contract	a) Strength
2) Rival companies in the industry trying to pitch for and recruit the key staff	b) Weakness
3) Well diversified client portfolio	c) Opportunities
4) High level of receivables	d) Threats

- a) 1-a, 2-b, 3-c, 4-d **b) 1-c, 2-d, 3-a, 4-b**
c) 1-c, 2-b, 3-a, 4-b d) 1-a, 2-d, 3-c, 4-b

120. We have heard countless, heart breaking stories from companies that are facing immense pressure on their cash flow due to the economic crisis brought on by the COVID-19 pandemic. To adapt to the changing environment, companies should undertake SWOT analysis. Which of the following is a "Threat" affecting the companies ?

- a) Customer are likely to cut back on discretion any expenditure and may move to lower cost rivals
b) Loss of key staff
c) Tender for new client
d) Both a and b

121. Match the core competencies for the following industry :

- 1) Automobile Industry
2) Food processing Industry
3) Life Insurance Industry
4) Super Market Industry
a) Styling, efficient dealer network performance
b) Reputation, innovative new policies
c) Right mix available in each store, pricing

- d) Health Aspects, New product development, good distribution channel
a) 1-A, 2-D, 3-B, 4-C b) 1-D, 2-A, 3-C, 4-B
 c) 1-A, 2-B, 3-C, 4-D d) 1-B, 2-C, 3-D, 4-A
122. Nicole has inherited a restaurant from her uncle. The restaurant has been under-performing and was closed six months ago. Nicole wants to begin a new restaurant in the premises with a new name and new cuisine. The following are primary activities of the value chain that Nicole should consider except:
 a) In bound logistics: side of local, high quality produce for ingredients
 b) Outbound logistics : consider delivery of the bound to table
 c) Marketing : Presentation of meals
d) Technology : Advanced cooking equipment
123. AB is a supermarket chain operating in North India. Currently, AB is seeking to enhance its shareholder value as its main objective. Therefore, the SWOT analysis can be used to identify how the business can build on its strengths and take corrective action for its weakness. Therefore, the SWOT analysis can be used to identify how the business can build on its strengths and take corrective action for its weakness. Match the columns in respect of the following elements of SWOT analysis :
 (i) well established in the North
 (ii) Not much opportunity for further organic growth in the North
 (iii) Reduction in competitiveness as well as losing market share due to recent merge of two rivals
 (iv) Possibility of increasing the use of debt, in turn resulting in lower costs as debt is cheaper than equity
 A) Strength
 B) Weakness
 C) Opportunities
 D) Threats
a) (i) -A, (ii) -B, (iii) - D, (iv) -C b) (i) -C, (ii) -D, (iii) -A, (iv) -B
 c) (i) -A (ii) -C (iii) -B (iv) -D d) (i) -C, (ii) -D, (iii) -B (iv) -A
124. Adolf play sportswear sells a variety of sportswear under its own well - known brand name. In order to have detailed strategies for the company's objectives which of the following cannot be considered as a "Strength" as per SWOT analysis ?
 a) High market share
 b) Excellent brand awareness
 c) Strong revenue growth (compared to industry average of 10%)
d) Possibility of new product to be introduced in the market for new sport new sport at the world championship
125. A newspaper is planning for the next five years. Which of the following demographic influence(s) should it consider as part of its external environment analysis ?
 (i) Tax on newspapers
 (ii) Import of raw materials will suffer if domestic currency weakens
 (iii) Increased mobility around the world requires different language version
 (iv) Carbon emissions from the use and products of paper - newspaper
 a) (iii) and (iv) **b) only (iii)** c) Only (iv) d) (ii), (iii), (iv)
126. T Ltd is a Delhi based super market, which has grown from a position where 30 years ago it had a revenue of around 50 Rs. Crores p.a. to a position today where revenue exceeds Rs. 5000 crores p.a. and profit exceed Rs 1000 crores p.a. It has achieved this growth through a combination of strategies many of which can be plotted on to the Ansoff matrix ?

	Existing products	New products
Existing markets	A	C
New markets	B	D

- (i) Expansion into clothing and electrical sales
(ii) 24-hour opening
(iii) Selling its products on internet
(iv) Overseas expansion
a) A-(ii) D-(ii) B-(iii) C-(iv) b) B-(i) C-(ii) A-(iii) D-(iv)
c) C-(i), A-(ii) D-(iii) B-(iv) d) D-(i) B-(ii) C-(iii) A-(iv)
127. Y mart super market is planning for the next five years. Which of the following economic influences should it consider ?
(i) Unemployment rate, (ii) Internet ordering,
(iii) Animal welfare, (iv) Consumer legislation
(v) Population size, (vi) Interest rates
a) (i) and (vi) b) (i) , (iv) and (vi) c) (iv) and (vi) d) (i), (iii), (iv), (vi)
128. Strategic group mapping' helps in -
a) Identifying the strongest rival companies
b) Identifying weakest rival companies
c) Identifying weakest and strongest rival companies
d) None of the above
129. Attractiveness of firms' while conducting industry analysis should be seen in -
a) Relative terms b) Absolute terms
c) Comparative terms d) All of the above
130. "Competitor's Differentiation', Customer value ' and 'Application of competitiveness' are the three important areas of :
a) Value chain analysis b) Business process re-engineering
c) competitor analysis **d) core competencies**
131. A tool by which management identifies and evaluates the various businesses that make up a company is termed as :
a) Value chain analysis **b) Portfolio analysis**
c) competition analysis d) Strategic analysis
132. An advertisement says, 'Have Roohafza with milk and lassi too'. Which strategy is the company trying to use :
a) Market development b) Product development
c) Market penetration d) All of the above
133. The goal of SWOT analysis is to _____ the organizations opportunities and strengths while _____ its threats and _____ its weaknesses.
a) avoid; neutralizaing ; correcting
b) exploit; neutralizing; correcting
c) avoid; capitalizing ; neutralizing
d) exploit; avoiding; ignoring
134. External opportunities and threats are usually:
a) the minor cause of organizational demise or success
b) least important for CEOs and the board of directors
c) not as important as internal strengths and weaknesses
d) largely uncontrollable activities outside the organization
135. The sustainability of competitive advantage and a firm's ability to earn profits from its competitive advantage depends upon:
a) Durability, reliability, transferability, approximately
b) Appropriability, durability, transferability, imitability
c) Transferability, imitability, reliability, approximately
d) Imitability, durability, reliability, appropriability
136. Anything that a firm does especially well compared to rival firms is referred to as
a) Competitive advantage b) Comparative advantage

- c) Opportunity cost d) Sustainable advantage
137. The emphasis on product design is very high, the intensity of competition is low, the market growth rate is low in the _____ stage of the industry life cycle.
- a) Maturity **b) Introduction** c) Growth d) Decline
138. GE Nine-cell matrix is based on:
- a) Market attractiveness and business strength**
b) Market growth rate and business strength
c) Market attractiveness and relative market share
d) Market growth rate and relative market share
139. Marketing and sales of Hindustan unilever Limited and low operating cost by walmart are examples of what ?
- a) Competitive advantage **b) core competency**
c) Strategic planning d) Key performance indicators (KPIs)
140. Strategic group mapping is a tool to :-
- a) Identify the strongest competitor
b) Identify weakest and strongest competitors
c) Identify new entrants
d) Identify the weakest competitors
141. ABC is a marketing consultancy business. ABC's most recent corporate analysis has identified that three new businesses have recently entered its market and started aggressively targeting ABC's key client. As part of ABC's corporate analysis, these three new businesses would be a
- a) Strengths b) Opportunity c) Weakness **d) Threat**

Estd.: 2007

..... Hands for Excellence

Chapter – 3
STRATEGIC ANALYSIS: INTERNAL ENVIRONMENT
SET-1

1. The goal of SWOT analysis is to _____ the organization's opportunities and strengths while _____ its threats and _____ its weaknesses.
(a) avoid; neutralizing; correcting **(b) exploit; neutralizing; correcting**
(c) avoid; capitalizing; neutralizing (d) exploit; avoiding; ignoring
2. SWOT analysis is an evaluation of the organization's _____ strengths and weaknesses and its _____ opportunities and threats.
(a) external; internal (b) internal; internal
(c) external; external **(d) internal; external**
3. External opportunities and threats are usually:
(a) the minor cause of organizational demise or success
(b) least important for CEOs and the board of directors
(c) not as important as internal strengths and weaknesses
(d) largely uncontrollable activities outside the organization
4. The sustainability of competitive advantage and a firm's ability to earn profits from its competitive advantage depends upon:
(a) Durability, reliability, transferability, approximately
(b) Appropriability, durability, transferability, imitability
(c) Transferability, imitability, reliability, approximately
(d) Imitability, durability, reliability, appropriability
5. Internal _____ are activities in an organization that are performed especially well.
(a) Opportunities (b) Competencies
(c) Strengths (d) Management
6. 'Strategic group mapping' helps in-
(a) Identifying the strongest rival companies
(b) Identifying weakest rival companies
(c) Identifying weakest and strongest rival companies
(d) None of the above
7. In Michael Porter's generic strategy _____ emphasizes producing standardized products at a very low per unit-cost for consumers who are price sensitive.
(a) Cheap leadership (b) Inferior product leadership
(c) Cost leadership (d) Cost benefit
8. Differentiation Strategy can be achieved by following measures:
1. Match products with tastes and preferences of customers.
2. Elevate the performance of the product.
3. Rapid product innovation
Which of the above is true:
(a) (1) and (2) (b) (1) and (3) (c) (2) and (3) **(d) (1), (2) and (3)**
9. What are the three different bases given by Michael Porter's Generic Strategies to gain competitive advantage?
(a) differentiation, integration and compensation
(b) integration, focus and differentiation
(c) compensation, integration and focus
(d) cost leadership, differentiation and focus
10. A firm successfully implementing a differentiation strategy would expect:
(a) Customers to be sensitive to price increases.
(b) To charge premium prices.
(c) Customers to perceive the product as standard.
(d) To automatically have high levels of power over suppliers.

SET-2

11. Successful differentiation strategy allows the company to
(A) gain buyer loyalty to its brands.
 (B) charge too high a price premium.
 (C) depend only on intrinsic product attributes.
 (D) have product quality that exceeds buyers' needs.
12. Indian Airlines decreasing the airfare on the Delhi – Mumbai sector following the introduction of the no frills airlines would be an example of
 (A) Cost leadership (B) **Price leadership**
 (C) Product differentiate (D) Focus
13. 'Niche' is similar to the
 (A) Growth strategy (B) Milking strategy
(C) Flanking strategy (D) Survival strategy

SET-3

14. Which of the following is not a limitation of SWOT (Strengths, Weaknesses, Opportunity, Threats) analysis?
 a) Organizational strengths may not lead to competitive advantage
 b) SWOT gives a one-shot view of a moving target
c) SWOT's focus on the external environment is too broad and integrative
 d) SWOT overemphasizes a single dimension of strategy
15. Strategic group consists of 2 arrival forms which have.....competitive approaches and position in the market.
a) Similar b) Different c) Same to same d) Quite differently
16. Economies of scale refer to.....in the Per unit cost of production as volume grows.
 a) Incline **b) Decline** c) None of the above d) Both a and b
17. Which section of the SWOT Matrix involves matching internal strengths with external opportunities?
 a) The WT cell b) The SW cell **c) The SO cell** d) The ST cell
18. Core competence is identified in three main areas....
a) Competitor differentiation, customer value and application
 b) Competitor differentiation, Customer value and uniqueness
 c) Competitor differentiation, customer appreciation and application
 d) None of the above
19. The impact of strategic uncertainty can pose.....To the survival of the organisation.
 a) Opportunity **b) Threat** c) strength d) Weakness
20. 'Competitor's Differentiation', 'Customer Value' and 'Application of Competitiveness' are the three important areas as 'of':
 a) Value Chain Analysis b) Business Process Re-engineering
 c) Competitor Analysis **d) Core Competence Concept**
21. Which section of the SWOT Matrix anybody will try to avoid.
a) The WT cell b) The SW cell c) The SO cell d) The ST cell
22. NS is the market leader in sportswear in Bee land, selling a variety of sportswear products. The board has recently instituted a review of the competitive position of NS by commissioning a SWOT analysis.

Match the columns in respect of the following elements of SWOT analysis:

Column A	Column B
----------	----------

(1) Excellent brand awareness of NS	(i) Strength
(2) New product to be introduced by NS in the market for new sport at the world championship	(ii) Weakness
(3) Child labour scandal in the sportswear industry which may cause a negative impact on the image of NS due to growth of social media	(iii) Opportunities
(4) Loss of key brand ambassador of NS	(iv) Threats

a) (1)-(iii), (2)-(i), (3)-(ii), (4)-(iv)

b) (1)-(i), (2)-(ii), (3)-(iii), (4)-(iv)

c) (1)-(i), (2)-(iii), (3)-(iv), (4)-(ii)

d) (1)-(i), (2)-(iii), (3)-(ii), (4)-(iv)

23. We have heard countless, heart breaking stories from companies that are facing immense pressure on their cash flow due to the economic crisis brought on by the COVID-19 pandemic. To adapt to the changing environment, companies should undertake SWOT analysis. Which of the following is a "Threat" affecting the companies?

a) Customer are likely to cut back on discretion any expenditure and may move to lower cost rivals

b) Loss of key staff

c) Tender for new client

d) Both a & b

24. AB is a supermarket chain operating in North India. Currently, AB is seeking to enhance its shareholder value as its main objective. Therefore, the SWOT analysis can be used to identify how the business can build on its strengths and take corrective action for its weakness. Match the columns in respect of the following elements of SWOT analysis:

Column A	Column B
(i) Well established in the North	(A) Strength
(ii) Not much opportunity for further organic growth in the North	(B) Weakness
(iii) Reduction in competitiveness as well as losing market share due to recent merge of two rivals	(C) Opportunities
(iv) Possibility of increasing the use of debt, in turn resulting in lower costs as debt is cheaper than equity	(D) Threats

a) (i) – A, (ii) – B, (iii) – D, (iv) – C

b) (i) – C, (ii) – D, (iii) – A, (iv) – B

c) (i) – A, (ii) – C (iii) – B (iv) – D

d) (i) – C, (ii) – D, (iii) – B (iv) – A

25. Adolf Play Sportswear sells a variety of sportswear under its own well-known brand name. In order to have detailed strategies for the company's objectives, which of the following cannot be considered as a "Strength" as per SWOT analysis?

a) High market share

b) Excellent brand awareness

c) Strong revenue growth (compared to industry average of 10%)

d) Possibility of new product to be introduced in the market for new sport at the world championship

26. A firm successfully implementing a differentiation strategy would expect:

a) Customers to be sensitive to price increases.

b) To charge premium prices.

- c) Customers to perceive the product as standard.
d) To automatically have high levels of power over suppliers.
27. Which one is not a competitive strategy....
a) Cost leadership b) Differentiation
c) Joint venture d) Focus
28. The process of creating, maintaining, and enhancing strong, value- laden relationships with customers and other stakeholder is:
a) Social marketing b) Augmented marketing
c) Direct marketing **d) Relationship marketing**
29. Campaign advocating the message of 'DO NOT SMOKE IN PUBLIC PLACES' is:
a) Services Marketing b) Holistic marketing
c) Social Marketing d) Direct Marketing
30. Campaign advocating the message of 'SAVE WATER' is:
a) Services Marketing b) Holistic marketing
c) Social Marketing d) Direct Marketing
31. Service marketing is designed to increase the acceptability in the.....
a) Business **b) Society** c) Government d) People
32. The Niche strategy is the best way to enter a:
a) New market b) Growing market
c) Matured market d) None of the above



Chapter – 4
STRATEGIC CHOICES
SET-1

1. Retrenchment strategy in the organization can be explained as
 - (a) Reducing trenches (gaps) created between individuals.
 - (b) Divesting a major product line or market.**
 - (c) Removal of employees from job through the process of reorganization.
 - (d) Removal of employees from job in one business to relocate them in other business.
2. An organisation diversifies in backward sequence in the product chain and enters specific product/process to be used in existing products. It is:
 - (a) Forward diversification.
 - (b) Vertical diversification.**
 - (c) Horizontal diversification.
 - (d) Reactive diversification.
3. Corporate strategy includes:
 - (i) expansion and growth, diversification, takeovers and mergers
 - (ii) Vertical and horizontal integration, new investment and divestment areas
 - (iii) determination of the business linesFrom the combinations given below select a correct alternative:
 - (a) (i), and (ii)
 - (b) (i) and (iii)
 - (c) (ii) and (iii)
 - (d) (i) (ii) and (iii)**
4. Vertical integration may be beneficial when
 - (a) Lower transaction costs and improved coordination are vital and achievable through vertical integration.**
 - (b) Flexibility is reduced, providing a more stationary position in the competitive environment.
 - (c) Various segregated specializations will be combined.
 - (d) The minimum efficient scales of two corporations are different.
5. Stability strategy is a _____ strategy.
 - (a) SBU level
 - (b) Corporate level**
 - (c) Business level
 - (d) Functional level
6. Conglomerate diversification is another name for which of the following?
 - (a) Related diversification
 - (b) Unrelated diversification**
 - (c) Portfolio diversification
 - (d) Acquisition diversification
7. Diversification primarily helps to:
 - (a) Reduce competition
 - (b) Reduce risk**
 - (c) Reduce taxes
 - (d) Reduce costs
8. If suppliers are unreliable or too costly, which of these strategies may be appropriate?
 - (a) Horizontal integration
 - (b) Backward integration**
 - (c) Market penetration
 - (d) Forward integration

SET-2

9. A corporate strategy can be defined as:
 - (A) A list of actions about operational planning and statement of organization structure and control system;
 - (B) A statement of how to compete, directions of growth and method o assessing environment;
 - (C) Abatement of organization's activities and allocation of resources;
 - (D) A course of action or choice of alternatives, specifying the resources required to achieve certain stated objectives;**
10. Question mark in BCG Matrix is an investment, which
 - (A) Yields low current income but has bright growth prospects.**
 - (B) Yields high current income and has bright growth prospects.
 - (C) Yields high current income and has bleak growth prospects.

- (D) Yields low current income and has bleak growth prospects
11. The BCG growth matrix is based on two dimensions:
(A) market size and competitive intensity
(B) relative market share and market/industry growth rate
(C) profit margins and market size
(D) market size and market share
12. The strategy of the Reliance Group in India would be a good example of
(A) Conglomerate diversification (B) Market development
(C) Price Transfers (D) Concentric Diversification
13. If an organisation acquires its supplier, it is an example of:
(A) Horizontal integration (B) Forwards vertical integration
(C) Backwards vertical integration (D) Downstream vertical integration
14. Strategic choice makes a statement about the corporate strategy as well as business strategy:
(A) They are one and the same
(B) One is an external planning and another resource planning statement
(C) Corporate strategy is a general statement and business strategy defines how a SBU shall operate
(D) Both states certain course of action - one for the total unit and another for a particular business
15. Ansoff proposed that for filling the corporate planning gap, one follows four strategies namely-
(A) market penetration, product differentiation, market identification and diversification
(B) market penetration, product development, marketing research and diversification
(C) market penetration, product development, market development and diversification
(D) market identification, product development, positioning and diversification
16. A Product line is a group of products that
(A) are closely related
(B) are marketed through the same channel
(C) Perform a similar function for being sold to the same customers
(D) All of the above
17. The strategy of the TATA group in India could be viewed as a good example of
(A) Conglomerate diversification
(B) Market development
(C) Cost Leadership
(D) Concentric diversification.
18. Which of the following analyses 'products and businesses by market share and market growth'?
(A) SWOT Analysis **(B) BCG Matrix**
(C) PEST Analysis (D) Portfolio Analysis
19. The Product Market matrix comprising of Strategies of Market Penetration, Market Development, Product Development, and Diversification was first formulated by
(A) Ansoff (B) Drucker (C) Porter (D) Prahalad
20. Portfolio Analysis is a term used
(A) to identify what strategy is needed to maintain a strong position or improve a weak one.
(B) to find out a best alternative out of various alternatives available.
(C) to analyse products and business by market share and market growth.
(D) to make managers more adaptable to unforeseen changes.

SET-3

21. An organization that has a low relative market share position and competes in a slow-growth industry is referred to as a
a) **Dog** b) Question Mark c) Star d) Cash Cows
22. tool by which management identifies and evaluates the various businesses that make up a company is termed as:
a) Value Chain Analysis **b) Portfolio Analysis**
c) Competition Analysis d) Strategic Analysis
23. An advertisement says, 'Have Roohafza with milk and lassi too'. Which strategy is the company trying to use:
a) Market Development b) Product Development
c) Market Penetration d) All of the above
24. An organization that has a high relative market share position and competes in a slow-growth industry is referred to as a
a) Dog b) Question mark c) Star **d) Cash Cows**
25. Market penetration, Market development, product development are the strategies pursued in:
a) Boston Consulting Group Growth Share Matrix
b) Value chain Analysis
c) Managerial Grid Matrix
d) Ansoff's Product Matrix Growth Matrix
26. An advertisement says, 'Next Generation Phone', Which strategy is the company trying to use:
a) Market Development **b) Product Development**
c) Market Penetration d) All of the above
27. An organization that has a low relative market share position and competes in a high growth industry is referred to as a
a) Dog **b) Question Mark** c) Star d) Cash Cows
28. Catalyst Polymers, a textile producing firm, has witnessed unprecedented sales growth in the last few years due to favorable market conditions abroad. As a result, the company diversified its activities to Chemical Manufacturing, Steel Forging and Metal Dye Manufacturing. The investment in steel forging in particular has not been successful due to strict environmental laws enacted by the Government. The said strategic business unit (SBU) though generates enough cash to sustain but does not have much future and sometimes requires cash for survival. Consequently, the management has engaged an expert in the field to help them classify the SBUs. Employing the Boston Consulting Group (BCG) Growth-Share Matrix, the expert advised the company to disinvest or liquidate Steel Forging SBU. Classify the Steel Forging SBU into the most appropriate matrix.
a) Star b) Cash cow c) Question mark **d) Dog**
29. Spark Pvt. Ltd., an automobile seat manufacturing company has been witnessing superior growth compared to its competitors due to management's greater emphasis on quality of production. In the previous Board Meeting, the management has decided to expand the existing business. The CEO will be travelling to south-east Asia and Africa for identifying new geographical places and new product dimensions and will try to establish new distribution channels to attract new customers abroad. Based on the Igor Ansoff's product market growth matrix, identify which of the growth strategy the company is employing in the current case.
a) Market penetration b) Product development
c) Market development d) Diversification
30. The Specialist Clothing Company (SCC) is a manufacturer of a wide range of clothing. Fashion is one of the five divisions of SCC. Fashion is operating in a market with high

growth and is a market leader. By the next year, it is predicted to have 10% of the market share in a growing market. Fashion should be classified as which of the following according to the BCG matrix.

- a) **Star** b) Dog c) Cash cow d) Question mark
31. Freshy Drinks provides fruit juices to a number of super market chains that sell them under their own label. Its marketing manager explains, 'We' have got a large number of products. Our freshly squeezed orange juice is doing fine (high market share). The market for orange juice appears to be matured (low growth). We've got advanced production and bottling equipment and long-term contracts with some of major growers. Which position best fits the "orange juice product" as per BCG matrix?
a) Star **b) Cash cow** c) Question mark **d) Dog**
32. Corporate level strategies are also known as..... strategies are means to provide.....to the company.
a) Top level, Uni direction **b) Grand, direction**
c) Directional, high level achievement d) None of the above
33. In stability strategy the firm remains with its
a) Current businesses b) Different businesses
c) New businesses d) Old and new businesses
34. When to organisations combine to increase their strength and financial gains along with breaking the trade barriers is called-----
a) Hostile takeover b) Liquidation
c) Merger d) Acquisition
35. Conglomerate diversification is another name for which of the following?
a) Related diversification **b) Unrelated diversification**
c) Portfolio diversification d) Acquisition diversification
36. SBU is grouping of _____ Businesses.
a) Related b) Unrelated c) both a and b d) all of above
37. Expansion strategy holds within its fold two major strategy routes...
a) Market penetration and market development
b) Market development and product development
c) Intensification and diversification
d) Product development and diversification
38. Horizontal integration is concerned with
a) Production b) Quality
c) Product planning d) All of the above
39. Diversification can be divided into four broad categories namely: vertical integrated diversification, horizontal integrated diversification, conglomerate diversification and.....
a) Competitive diversification b) Profitability diversification
c) Concentric diversification d) Related diversification
40. One of the primary advantages of diversification is sharing core competencies. In order for diversification to be most successful, it is important that
a) The target market is the same, even if the products are very different.
b) The products use similar distribution channels.
c) The methods of production are the same.
d) The similarity required for sharing core competencies must be in the value chain, not in the product.
41. The reasons for acquisition are
a) Increased Market Power b) Increased Diversification
c) Increased speed to market **d) All of the these**
42. Developing new digital watch by a company manufacturing analogue watches is:
a) A product development strategy b) A market development strategy

- c) A market penetration strategy d) None of the above
43. General public is discerning from buying air conditioning units based on the Health Ministry guidelines regarding emergence of a contagious viral pandemic. Consequently, Nebula Pvt Ltd, a manufacturer of evaporation coils used in air conditioning units has faced significant loss in working capital due to sharp fall in demand. The company conducted financial assessment and developed a workable action plan based on short and long term financial needs. But for immediate needs, an emergency plan has been implemented. It includes selling scrap, asset liquidation and overheads cost reduction. Further, to avoid any such untoward event in future, they plan to diversify into newer business areas along with its core business. Identify the strategy opted by M/s. Nebula Pvt Ltd?
- a) Retrenchment strategy b) Liquidation strategy
c) Turnaround strategy d) Divestment strategy
44. Stylish Fabric Ltd., a clothes manufacturer is buying up a chain of retail outlets to differentiate its clothes from those of its competitors through branding. This gives an opportunity for higher margins. Stylish Fabric Ltd. will also be able to produce clothes as the shop demands them (JIT) leading to reductions in inventory levels. Which strategy has Stylish Fabric Ltd. adopted?
- a) Backward integration b) Forward integration
c) Conglomerate diversification d) Horizontal integrated diversification
45. Beta Company, a car manufacturer is buying up a supplier so that it gets a dedicated supplier with both guaranteed quality and price. The material could be manufactured when required by Beta Company leading to lower inventory levels. Which strategy has Beta Company adopted?
- a) Backward integration b) Forward integration
c) Conglomerate diversification d) Horizontal integrated diversification
46. Strategic Planning is the responsibility of:-
- a) Corporate level managers b) Operational managers
c) Functional managers d) Business level managers
47. Acquisition of IT company by a steel manufacturer is:
- a) Business level strategy b) Corporate strategy
c) Business decision d) Functional diversification
48. X-Olympus is a gaming software company specializing in developing games for Z Box and Game Station-4. The company is facing stiff competition due to saturation of market and price wars, which h excessively favor and highlight their dependence on gaming console manufacturers. Thereby, the company desires to establish a competitive advantage over industry rivals by enhancing the gaming experience by expanding into Edge-Cloud Gaming Service on a monthly subscription basis. This service offering does not require dedicated gaming consoles yet provide customers game streaming in 4K resolution with an ample range of games to select from. This move is expected to insulate X-Olympus from price wars and provide a competitive advantage. Kindly identify which of the Michael Porter's forces and generic strategies perfectly suits X-Olympus?
- a) Threat of new entrants, Focus strategy
b) Rivalry amongst existing players, Differentiation strategy
c) Bargaining power of suppliers, Focus strategy
d) Threat from substitutes, Cost leadership strategy

SET-4

49. _____ is the growth design of the Firm and it spells out growth objective of the Firm
- a) **Corporate strategy** b) Business strategy
c) Functional d) None of these
50. Which of the following is/are feature(s) of corporate strategy

- a) Growth b) Proactive c) Reactive **d) All of the above**
51. Which of the following is/are feature(s) of stability strategy
 a) stays with its current businesses and product market postures
 b) maintains the existing level of effort
 c) satisfied with incremental growth
d) All of the above
52. The objective(s) of stability strategy is/are
 a) to safeguard existing interests and strengths
 b) to pursue well established and tested objectives
 c) To continue the chosen path of business
d) All of the above
53. Which of the following is/are reason(s) for adopting stability strategy
 a) Stable environment b) less risk
 c) Expansion is threatening **d) All of the above**
54. Which of the following is/are feature(s) of expansion strategy
 a) High growth b) Efficiency
 c) Utilise all its resources **d) All of the above**
55. Expansion into new businesses that are outside the current businesses and markets is called
 a) Market Penetration b) Market Development
 c) Product Development **d) Diversification**
56. Which of the following is/are reason(s) for adopting Expansion Strategy
 a) Environment demands b) growth oriented
 c) Experience curve **d) All of the above**
57. Return is _____ in expansion strategy
 a) **High growth** b) Low
 c) Moderate d) No Change
58. Risk is _____ in stability strategy
 a) High **b) Low**
 c) Moderate d) No Change
59. Nature of Expansion strategy is
 a) Status quo oriented b) Ambitious
 c) Versatile **d) Both b and c**
60. Which strategy involves marketing existing products, to customers in related market areas, by adding different channels of distribution or by changing the content of advertising or the promotional media
 a) Market Penetration **b) Market Development**
 c) Product Development d) Diversification
61. _____ refers to the entry into new products or product lines, new services or new markets, involving substantially different skills, technology and knowledge
 a) Market Penetration b) Market Development
 c) Product Development **d) Diversification**
62. Which of the following is/are reason(s) for Related Diversification
 a) To exchange or share assets or competencies
 b) To achieve economies of scale
 c) Exploiting R and D **d) All of the above**
63. Which of the following is/are reason(s) for Unrelated Diversification
 a) To re-focus a Firm, objectives and operations
 b) To obtain tax benefits
 c) To obtain Liquid Assets
d) All of the above
64. Horizontal Integration is achieved by

- a) Taking over Competitor's products b) Production of Complementary products
c) Sale of By-products **d) All of the above**
65. _____ represents moving forward in the value chain and entering business lines that use existing products
a) Forward Integration b) Backward Integration
c) Conglomerate d) None of these
66. _____ involves entering into new businesses/ products, which are disjoined from the existing businesses/ products in every way
a) Forward Integration b) Backward Integration
c) Conglomerate d) None of these
67. _____ occurs when one company takes over the other company (called Target) and controls all its business operations
a) Merger **b) Acquisition**
c) Strategic alliance d) None of these
68. _____ are combinations of Firms engaged in the same industry
a) Horizontal Merger b) Vertical Merger
c) Co-generic Merger d) None of these
69. _____ offers opportunities to businesses to diversify around a common set of resources and strategic requirements
a) Horizontal Merger b) Vertical Merger
c) Co-generic Merger d) None of these
70. _____ is a specific relationship between two or more businesses that enables each to achieve certain strategic objectives together, rather than individually
a) Merger b) Acquisition
c) Strategic alliance d) None of these
71. Which of the following is/are demerit(s) of strategic alliance
a) Loss of confidentiality due to sharing of resources
b) Loss of core competencies
c) Creation of potential competitors after the end/ termination of the strategic Alliance
d) All of the above
72. _____ is also called as Retreat strategy
a) Stability b) growth oriented
c) Retrenchment d) None of these
73. Which of the following is/are ways of retrenchment
a) Cutting back on capital and revenue expenditure
b) Reduction in inventory levels, production volumes, manpower
c) Withdrawal of some products/ product versions
d) All of the above
74. 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
75. Low cost, Differentiation and focus are examples of
a) Corporate strategies b) Operational strategies
c) Business strategies d) Functional strategies
76. The Reason 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
77. ABC group of industries is involved in the sale of its marginal business. It is not likely to say that ABC group is implementing which one of the following strategies?
a) Retrenchment b) Liquidation
c) Acquisition d) Join venture
78. A Company offers unique products that are widely valued by customers, it is likely to

follow a :

a) Differentiation strategy

c) Focus strategy

b) Combination strategy

d) Cost-leadership strategy

79. 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) Ely to take place when an organization lacks a key success factor for a particular market

80. Divestments 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

81. McDonalds is deciding whether to expand into manufacturing kitchen equipment in China. At what level is this decision likely to be made?

a) Business

b) Corporate

c) Functional

d) International

82. 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

83. _____ strategy is often considered as entrepreneurial strategy where firm develops and introduce new products and markets or penetrate markets to build share

a) Strategic Intent

b) Strategic Formulation

c) strategic Implementation

d) Strategic control

84. _____ strategy is often considered as entrepreneurial strategy where firm develops and introduce new products and markets or penetrate markets to build share

a) Expansion strategy

b) Retrenchment Strategy

c) Combination Strategy

d) Stability strategy

85. Porter's generic strategies are

a) Low price, differentiation, focus

b) Cost leadership, differentiation, cost focus, focus differentiation

c) Price leadership, differentiation, focus

d) Low cost, differentiation, focus differentiation

86. 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?

87. A stability strategy is particularly appropriate when

a) the firm is facing rapid growth opportunities

b) the industry is in a state of rapid upheaval

c) an organization is not meeting its goals

d) an organizations performance is declining

88. Functional level strategy directly supports

a) Corporate strategy

b) business strategy

c) differentiation strategy

d) focus strategy

89. Organizations require good people with appropriate skills and abilities to work together effectively to be successful. Which of the following characteristics is not sen as critical for this ?

- a) competent
b) committed
c) cost-effective
d) capable
90. Which of these is a characteristic of soft human resource management?
a) Managers are responsible for employees
b) Teams provide increased productivity
c) Managers are responsible for deploying employees
d) Scientific management principles and systems should be used to deal with employees
91. Which of the following is not one of the four key strategic elements linked to corporate objectives?
a) Competitive environment
c) Research and development
b) Stakeholder expectations
d) Organization structure
92. Which of the following is a source of differentiation?
a) Relationships with customers
b) Distribution
c) Low costs
d) Unreliability
93. Turnaround strategies involve changes at what level of strategy ?
a) Corporate
c) Competitive
b) Functional
d) All levels
94. Which of these is not an issue in selecting a business as a divestment candidate?
a) Current market position
b) Product life-cycle
c) Alternate uses for resources
d) The size of the business
95. Which of the following competencies relates to functionality?
a) Providing excellent quality which is recognized by customers
b) Developing and introducing new processes for cost savings and speedier decision-making
c) Manage 'green' issues to avoid crises or create competitive advantage
d) Avoid business failures by becoming and staying crisis averse
96. The strategic marketing process is how an organization allocates its marketing mix resources to reach its:
a) stated business ideas
c) target markets
b) potential
d) competition
97. Cohesive marketing mix consists of the product, promotion, price, and
a) Personnel
b) Production of Complementary products
c) advertising
d) communication
98. Which of the following statements is NOT true regarding 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) They 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
99. What kind of training program is most appropriate for a simple task ?
a) on-the-job training
b) vestibule training
c) laboratory training
d) away-from-the -job training
100. Retrenchment may be done
a) Internally
c) Either a or b
b) Externally
d) None of theses
101. Which of the following is/sre reason(s) for adopting Retrenchment strategy
a) Management no longer wishes to remain in business
b) Unmanageable Threats from environment
c) Failure of strategy
d) All of the above

102. _____ is a highly targeted effort to bring back the firm to profitability and increase its positive cash flows to a sufficient level
- a) Stability b) growth oriented
c) Turnaround d) None of these
103. In which of the following situations turnaround strategy is used
- a) when a firm's cash flows and profitability are affected by rising competition
b) When both threats & weaknesses adversely affect the health of the firm
c) When firm face a significant crisis that has negatively affected their operations
d) All of the above
104. The danger signals create the need for a turnaround strategy is/are
- a) Deterioration in physical facilities
b) Over manning, high turnover of employees, and low morale
c) Uncompetitive products or services
d) All of the above
105. The elements that contribute to turnaround are
- a) Changes in the top Management b) Initial credibility-building actions
c) Neutralizing external pressures d) All of the above
106. _____ involves the sale or liquidation of a portion of business, or a major division, profit centre or SBU
- a) Diversification b) Divestment
c) Retrenchment d) None of these
107. Divestment strategy may be adopted when _____
- a) Acquired business proves to be a mismatch
b) Inability to invest in the technological upgradation
c) Availability of a better alternative for investment
d) All of the above
108. Which of the following is/are effects of liquidation strategy
- a) Loss of employment for workers b) Termination of opportunities
c) Stigma of failure d) All of the above
109. _____ involves re-definition of business by divesting a major product line or market
- a) Expansion strategy b) Retrenchment
c) Stability strategy d) None of these
110. _____ becomes necessary or expedient for coping with particularly hostile and adverse situations in the environment
- a) Expansion strategy b) Retrenchment
c) Stability strategy d) None of these
111. _____ involves re-grouping and re-couping of the resources, and is comparatively less risky
- a) Expansion strategy b) Retrenchment
c) Stability strategy d) None of these
112. Which of the following is/are reson(s) for adopting combination strategy
- a) Large organization b) Complex environment
c) Conglomerate business d) All of the above
113. Porter's Model includes
- a) Rival sellers b) Supplier Bargaining power
c) Buyer Bargaining power d) All of the above
114. Producing standardized products at a very low per unit costs, for consumers who are price-sensitive is
- a) Cost leadership b) Differentiation
c) Focus strategy d) None of these
115. Producing products and services that fulfill the needs of small groups of consumers is
- a) Cost leadership b) Differentiation

- c) Focus strategy** d) None of these
116. Industry wide unique strategy results in
a) cost leadership **b) differentiation**
c) focus strategy d) None of these
117. Cost leadership strategy is more effective when
a) Market comprises many price-sensitive buyers
b) Buyers do not care much about differences from one brand to another brand
c) There are only very few ways to achieve product differentiation
d) All of the above
118. Cost leadership strategy can be achieved by
a) High efficiency b) Low overhead
c) Effective budgetary control **d) All of these**
119. Cost leadership strategy can be achieved by
a) Limited perquisites for Managers b) Rewards linked to cost-containment
c) Employee participation in cost control efforts **d) All of the above**
120. Cost Elements to be considered in choosing cost leadership strategy include
a) potential for sharing costs and knowledge within the firm
b) Percentage of capacity utilization achieved
c) Linkages with suppliers and distributors
d) All of the above
121. Cost Elements to be considered in choosing cost leadership strategy include
a) Energy costs b) Shipping costs
c) economies or diseconomies of scale **d) All of the above**
122. Successful Differentiation can lead to
a) Product Flexibility b) Improved service
c) Greater convenience **d) All of the above**
123. Differentiation strategy can be achieved by
a) Customer comfort in dealings b) Product-customization
c) Customer- oriented product- pricing **d) All of the above**
124. Focus strategy is effective when
a) Consumers have distinctive preferences
b) rival firms are not attempting to specialize
c) effectively pursue focus-based strategies in conjunction with differentiation or cost leadership strategies
d) All of the above
125. Focus strategy can be achieved by
a) Identifying specific market segments b) obtaining resources and capabilities
c) Nichemanship **d) All of the above**
126. Skills and resource requirements for low-cost firm is/are
a) Intense supervision of labour b) Low-cost distribution system
c) Products designed for ease in manufacture **d) All of the above**
127. Organisation requirements for differentiated firm is/are
a) strong co-ordination among R&D, product development, and marketing functions
b) Clear measurement of incentives instead of quantitative measures
c) Amenities to attract highly skilled labour
d) All of the above
128. The need for functional strategies can be
a) Coordination b) Controls
c) Consistency **d) All of the above**
129. _____ is a network produced by partnering the value chain of the firm with the value chains of its suppliers, distributors, and customers
a) Distribution network b) Network Organisation

- c) value delivery network** d) None of these
130. To satisfy the target customers the firm should
a) Segment market b) target
c) position **d) All of the above**
131. Which are the pricing areas of strategy
a) Price flexibility b) Terms of sale
c) pricing of related items within a product line **d) All of the above**
132. Marketing Analysis is performed by
a) Identifying environmental opportunities and threats
b) Analyzing strengths & weaknesses
c) Feeding information and other inputs
d) All of the above
133. _____ refers to the design, implementation, and control of programs seeking to increase the acceptability of social idea, cause, or practice among a target group, e.g. "No smoking" campaign
a) social marketing b) Augmented marketing
c) Direct marketing d) Relationship marketing
134. _____ is the process of marketing through various advertising media that interact directly with consumers, generally calling for the consumer to make a direct response
a) Social marketing b) Augmented marketing
c) Direct marketing d) Relationship marketing
135. _____ is the process of applying the concepts, tools, and techniques, of marketing to services
a) Services marketing b) person marketing
c) Organisation marketing d) place marketing
136. _____ consists of activities undertaken to create, maintain, or change attitudes and behaviour of target audiences towards an organization as a whole
a) Services marketing b) person marketing
c) Organisation marketing d) place marketing
137. _____ involves marketing with a philosophy that a company's marketing efforts should support the best long-run performance of the marketing system
a) Enlightened marketing b) Differential marketing
c) Synchro marketing d) Concentrated marketing
138. _____ can be used to smoothen or regularize the pattern of demand through flexible pricing, promotion, and other incentives
a) Enlightened marketing b) Differential marketing
c) Synchro marketing d) Concentrated marketing
139. _____ is a marketing strategy to reduce demand temporarily or permanently
a) Enlightened marketing b) Differential marketing
c) Synchro marketing **d) De-marketing**
140. Strategies in finance relate to aspects such as
a) procurement of funds b) Management / usage of funds
c) evaluating the worth of a business **d) All of the above**
141. Factors in formulating strategy for Acquiring capital include
a) Gestation period for returns from project b) Legal requirements
c) Terms of repayment in case of loans **d) All of the above**
142. A financial strategy should be formulated for
a) evaluation of capital budgeting proposals
b) working capital management decisions
c) dividend decisions and relationship with shareholders
d) All of the above
143. The net worth of a business can be determined by

- a) Asset based
c) P/E based
144. Production strategies have an effect on
a) nature of product/ service
c) operations system structure
145. _____ is defined as the process of planning, implementing, and controlling the supply chain operations
a) Marketing management
c) Supply chain management
b) Production management
d) None of these
146. Implementing and successfully running a supply chain management system will involve
a) Integration
c) Procurement
d) All of the above
b) Information sharing
147. Which of the following is/are issues in logistics strategy
a) Sources of Raw materials and components available
b) Nature of materials handling equipment used
c) Nature of distribution facilities
d) All of above
148. _____ are the activities concerned with receiving , storing and distributing the input to the product/service
a) Inbound logistics
c) Reverse logistics
b) Outbound logistics
d) None of these
149. _____ deals with raw materials, components, partly processed inputs, etc
a) Inbound logistics
c) Reverse logistics
b) Outbound logistics
d) None of these
150. _____ includes activities like Materials handling, stock control, Transport, etc
a) Inbound logistics
c) Reverse logistics
b) Outbound logistics
d) None of these
151. Which of the is/are objectives of R and D strategy
a) To develop new products
c) To maintain product utility but save on costs
b) To substantially improve old products
d) all of the above
152. _____ should assess the staffing needs and costs of the firm, for alternative strategies proposed during strategy formulation
a) Marketing manager
c) **HR manager**
b) Production manager
d) None of these
153. _____ is the linking of HR mangement with firm strategic fgoals and objectives, to improve business performance and develop organizational culture that fosters innovation and flecxibility
a) HRM
c) Operations management
b) Strategic HRM
d) None of these
154. HR Management requires a strategic focus in
a) HR planning
c) compensation
b) selection procedures
d) All of the above
155. Sanjivni Pharmaceuticals limited manufacurers a cough syrup zenus. It has modified zenus syrup, claiming that the zenus cough syrup is sugar-free, and the consumer will not feel drowsiness after consuming this cough syrup. Consumers found this product as unique. The sales of zenus cough syrup have increased as expected. The price of this sugar-free syrup is higher by 20% than the earlier syrup. Identify the strategy adopted by sanjivni pharmaceuticals limited.
a) Focus strategy
c) differentiation strategy
b) Best cost provider strategy
d) Cost-leadership strategy
156. Everyouth Beauty products limited, the maker of feel-fresh soaps have been suffering from low sales volume from the last six months due to stiff competitons. To regain its

- position, Everyouth beauty products limited launched various schemes such as 'win a phone every hour', scratch cards, buy 1 get 1 free and contest on social media. This resulted into increase in sales. Which type of promotional activity did everyouth beauty products limited adopted?
- a) **Sales promotion**
b) Advertising
c) publicity
d) personal selling
157. Trekking poles is a small company based in the Himalayan ranges in India. It is known in the region for its hill walking sticks. Trekking poles sell specialist walking equipment in their small shop at the foot of the mountains. They do not have a website yet have been able to sell their products at premium prices. which of the following one of porter's generic strategies bets fits trekking poles?
- a) Cost leadership
b) Matrix management
c) Focused cost leadership
d) **focused differentiation**
158. A Ltd. Has recently decided to install a new IT system to improve the efficiency of its payroll function. A ltd. Belivers this will reduce the cost of running the payroll system by 20%. Which one of the following levels of strategy is the above IT system most closely linked to ?
- a) Corporate level
b) **Functional level**
c) Business level
d) Strategic level
159. A famous restaurant enjoys full occupancy during the lunch and dinner time for last few months. In fact, many customers go back as they have to wait for their turn. Between 15:00 hours to 18:00 hours, the occupancy rate is near to nil. To raise the footfalls of customers during this lean time, the owner offers a discount of 20% on total bill if a customer comes in these 3 hours. which type of maketing strategy does the restaurant folow to attract the customers in the lean period?
- a) Differential Marketing
b) **Synchro-marketing**
c) place marketing
d) Concentrated marketing
160. Mixfix was having a tough time with its operations and wanting to restructure itself from scratch. For this, they consult a veteran in business strategy, Mrs. Sunita K, who post analysis of their business said, "you dead business is worth more than alive". What did Mrs. Sunita hint at?
- a) Restructuring Business
b) **Liquidation**
c) Business process Re-engineering
d) Divestment
161. Dmat sells fast moving consumer goods at wholesale prices to ratalil customers, is a strategy of ?
- a) Market penetration
b) Cost differsntiation
c) **cost leadership**
d) market development
162. Dee Limited is an international clothing retailer. The company is making the following decisions:9i) should another range of shops be established ? (ii) Should the company float more share capital? (iii) How will the premises be fitted out for the new range of shops? which of the above decisions will be taken by corporate level managers?
- a) Only(i)
b) Only(ii)
c) **(i) and(ii)**
d) (ii) and (iii)
163. Velvet limited is a full-service airline. The company is making the following decisions:(i) Should a 'no-frills'. 'low-fare' subsidiary be set-up ? (ii) If it si set-up how should the cabin staff be recruited ? (iii) which of th above decisions will be taken by corporate level managers?
- a) **only(i)**
b) Only(ii)
c) (i) and(ii)
d) Neither (i) nor(ii)
164. Training co. operates a network of accounting training centres throughout Europe, the US and Austratia. The business intends to enter developing markets in order to drive growth and has now decided to enter India which ius 7,500 kilometres from the training

co.'s UK headquarters. The Board has suggested that it will require externally focused management information to move into india. Which of the following is an external factors that the board should consider while implementing its strategy?

- a) key local rival and their strengths and weaknesses
- b) Courses are suitable for this market
- c) Timing of the courses (public holidays, religious festivals, ecto to be avoided)

d) All of the above

165. General public is discerning from buying air conditioning units based on the Health ministry guidelines regarding emergence of a contagious viral pandemic. Consequently, Nebula Pvt Ltd a manufacturer of evaporation coils used in air conditioning units has faced significant loss in working capital due to sharp fall in demand. The company conducted financial assessment and developed a workable action plan based on short and long term financial needs. But for immediate needs, an emeergency plan has been implemented. It includes selling scrap, asset liquidation and overheads cost reduction. Further, to avoid any such untoward event in future, they plan to diversify into newer business areas along with its core business. Identify the strategy opted by M/s. Nebula Pvt Ltd?

- a) Retrenchment strategy
- b) Liquidation strategy
- c) **Turnaround strategy**
- d) Divestment strategy

166. Stylish Fabric Ltd. A clothes manufacturer is buying up a chain of retail outlets to differentaiate its clothes from those of its competitors through branding. This given an opportunity for higher margins. Stylish fabric ltd. Will also be able to produce clothes as the shop demands them (JIT) leading to clothes as the shop demands them (JIT) leading to reduction in inventory levels. Which straegy has stylish fabric Ltd. adopted?

- a) backward integration
- b) **Forward integration**
- c) conglomerate diversification
- d) Horizontal integrated diversification

167. Beta company a car manufacturer is buying up a supplier so that it gets a dedicated supplier with both guaranteed quality and price. The material could be manufactured when required by beta company leading to lower inventory levels. Which strategy has beta company adopted?

- a) **backward integration**
- b) Forward integration
- c) conglomerate diversification
- d) Horizontal integrated diversification

168. X- Olypus is a gaming software company specializaing in developing games for Zbox and Gamestation-4, The company is facing stiff competition due to saturation of market and price wars, which h excessively favor and highlight their dependence on gaming console manufacturers. Thereby, the company desires to establish a competitive advantage over industry rivals by enhancing the gaming experience by expending into edge-cloud gaming service on a monthly subscription basis. This service offering does not require dedicated gaming consoles yet provide customes game streaming in4k resolution with an ample range of games to select from this move is expected to insulate X-olympus from price wars and provide a competitive advantage. kindly identify which of the Michael porter's forces and generic strategies perfctly suits X-Olympus?

- a) Threat of new entrants, focus strategy
- b) **Rivalry amongst existing players, Differentiation strategy**
- c) Bargaining power of suppliers, Focus strategy
- d) Threat form substitutes, cost leadership strategy

169. The directors of blaina packaging co. (BPC), a well established manufacturer of cardboard boxes is considering whether to enter the cardboard tube market. Cardboard tubes are purchased by customers and these products are of various sizes, ranging from large tubes which are used for carpets to small tubes which are used for

- films and paper. Another company, plastic tubes Co. (PTC), produces narrow, but increasing, range of plastic tubes which are capable of housing small products such as film and paper-based products. This is considered as which of the following porter's force for BPC?
- a) Threat of new entrants, focus strategy b) Threat of substitutes
c) Bargaining power of customers **d) Bargaining power of supplies**
170. Perscopter, a manufacturer of private helicopter offers unique features that fulfill the demands of a narrow market. It competes in market based on its uniqueness and custom-oriented private helicopters. Perscopter provides limited number of high-end helicopters with ultimate features. Which business strategy is being followed by perscopter?
- a) Differentiation b) Focused cost leadership
c) cost leadership **d) focused differentiation**
171. Mr. Vicky verma, a Gwalior based entrepreneur, has entered selling into an exclusive-retail deal with an Italian company selling 'Fantasy-3D' a hologram LED fan, which is being used for advertsing at public places. Mr.Verma has procured a total of 500 units of the product and paid upfront as per the seller's policy This resulted in blocking of his working capital significantly and the shipment is expected in a month. Meanwhile his continued efforts of establishing relations with the marketing heads of corporates resulted in a series of meetings, where he demonstrated his specilist productr knowlefge by chaanging the hologram images of the customer. The management of a big automotive company was impresed with the quality and adaptability of the product, and awarded a contract of 125 units to be displayed in the auto-maker's showrooms. Identify and mark the product promotion strategy adopted by Mr. Verma.
- a) Personal selling** b) Sales promotion
c) Advertising d) Publicity
172. Sport spirit(SS) is a medium sized sports retailer. It currently operates three shops in the city at centre locations. The management of sport spirit (SS) has a very careful recruitment policy : which one of the following functional strategies would best describe by ss ?
- a) Human resource strategy** b) Financial strategy
c) Operation strategy d) Marketing strategy
173. Strategic planning is the responsibility of :
- a) Corporate level managers **b) Operational managers**
c) Functional managers d) Business level managers
174. Acquisition of IT company by a steel manufacturer is :
- a) Business level strategy b) corporate strategy
c) Business decision d) Functional diversification
175. Which strategy is implemented after the failure of turnaround strategy?
- a) Expansion strategy **b) Diversification strategy**
c) Divestment strategy d) Growth strategy
176. Retrenchment strategy in the organization can be explained as:
- a) Reducing trenches (gaps) created between individuals.**
b) Divesting a major product line or market.
c) Removal of employees from job through the process of reorganization
d) Removal of employees from job in one business to relocate them in other business.
177. Select the correct statement:
- a) In general, corporate level decisions are costly to take, involve high risk and have large profit potential.
b) In general, corporate level decisions are costly to take, involve low risk and have large profit potential

- c) In general, corporate level decisions are costly to take, involve high risk and have low profit potential
d) In general, corporate level decisions are cheaper to take, involve low risk and have large profit potential
178. An organisation diversifies in backward sequence in the product chain and enters specific product/ process to be used in existing products. It is:
a) Forward diversification
b) vertical diversification
c) Horizontal diversification
d) Reactive diversification
179. Corporate strategy includes: (i) expansion and growth diversification, takeovers and mergers. (ii) Vertical and horizontal integration, new investment and divestment areas (iii) determination of the business lines from the combinations given below select a correct alternative :
a) (i) and (ii)
b) (i) and (iii)
c) (ii) and (iii)
d) (i) (ii) and (iii)
180. Vertical integration may be beneficial when:
a) Lower transaction costs and improved coordination are vital and achievable through vertical integration
b) Flexibility is reduced, providing a more stationary position in the competitive environment
c) Various segregated specializations will be combined
d) The minimum efficient scales of two corporations are different
181. Conglomerate diversification is another name for which of the following ?
a) Related diversification
b) Unrelated diversification
c) Portfolio diversification
d) Acquisition diversification
182. When to organisations combine to increase their strength and financial gains along with reducing competition is called _____
a) Hostile takeover
b) Liquidation
c) Merger
d) Acquisition
183. The reasons for acquisition are:
a) Increased market power
b) Increased diversification
c) Seizing growth opportunities
d) All of the these
184. If suppliers are unreliable or too costly, which of these strategies may be appropriate?
a) Horizontal integration
b) Backward Integration
c) Market penetration
d) Forward integration
185. Which of the following is not Michael Porter's five competitive forces?
a) New entrants
b) Rivalry amongst existing firms
c) Bargaining power of unions
d) Bargaining power of suppliers
186. In Michael Porter's generic strategy _____ emphasizes on producing standardized products at a very lower unit-cost for consumers who are price sensitive.
a) Cheap leadership
b) inferior product leadership
c) Cost leadership
d) cost benefit
187. Differentiation strategy can be achieved by following: 1) Match products with tastes and preferences of customers 2) Elevate the performance of the product 3) Rapid product innovation. Which of the above is true:
a) (1) and (2)
b) (1) and (3)
c) (2) and (3)
d) (1), (2) and (3)
188. What are the three different bases of consideration given by Michael Porter's generic strategies to gain competitive advantage?
a) differentiation, integration and compensation
b) integration, focus and differentiation
c) compensation, integration and focus
d) cost leadership, differentiation and focus

189. Suppliers can command bargaining power over a firm when: 1) The products are crucial to the buyer 2) Large number of substitutes are available 3) suppliers erect high switching costs 4) Suppliers are more concentrated than their buyers
a) 1 **b) 2** c) 3 d) 4
190. Best-cost provider strategy involves providing customers more value for the money by emphasizing on:
a) low cost and low quality difference b) low cost and better quality difference
c) high cost and low quality difference d) high cost and better quality difference
191. The Niche strategy is the best way to enter a:
a) New market b) growing market
c) Matured market **d) None of the above**
192. The process of creating, maintaining, and enhancing strong, value-laden relations with customers and other stakeholder is :
a) social marketing b) Augmented marketing
c) Direct marketing d) Relationship marketing
193. For a new product, an organization may choose:
a) Skimming pricing strategy b) Penetration pricing strategy
c) Both (a) and (b) **d) None of these**
194. The marketing strategy which is used to reduce or shift the demand is :
a) Enlightened marketing b) Synchro-marketing
c) place marketing d) Demarketing
195. Read the following statements: (i) Functional-level managers are responsible for the specific business functions. (ii) Functional -level managers take decisions related to human resources, purchasing, product development, customer service, and so on. Select the correct alternative:
a) Both (i) and (ii) truly explain features of functional-level manager
b) only (i) truly explains features of functional level manager
c) Only (ii) truly explains features of functional level manager
d) None (i) and (ii) truly explain features of functional level manager
196. Evaluating the worth of a business is determining its
a) Fixed assets **b) Net worth**
c) Goodwill d) None
197. Which of the following variables are not directly affected by marketing mix ?
a) Product Flexibility b) place
c) process d) promotion
198. A rubber manufacturer starts making shoe soles and gum can be termed as?
a) Conglomerate diversification **b) Concentric Diversification**
c) Horizontal integration d) Vertical integration

Chapter – 5
STRATEGY IMPLEMENTATION AND EVALUATION
SET-1

1. _____ leadership style may be appropriate in turbulent environment.
(a) Transactional (b) **Transformational**
(c) Autocratic (d) None of these
2. An organizational structure with constricted middle level is:
(a) Divisional structure (b) Network structure
(c) **Hour Glass structure** (d) Matrix structure
3. You are the head of operations of a company. When you focus on total or aggregate management functions in the sense of embracing the integrated activities of a complete department et al, you are practicing: -
(a) Strategic Control (b) **Management control**
(c) Administrative Control (d) Operations Control
4. Which of the following would be chosen by the core strategist to implement operational control: -
(a) Premise Control (b) Special Alert Control
(c) Implementation Control (d) **Budgetary Control**
5. Compliance, Identification and Internalization are the three processes involved in:
(a) Refreezing (b) Defreezing
(c) **Changing behavior patterns** (d) Breaking down old attitudes
6. Which one is NOT a type of strategic control?
(a) **Operational control** (b) Strategic surveillance
(c) Special alert control (d) Premise control

SET-2

7. A strategic business unit (SUB) is defined as a division of an organization:
(A) That help in the marketing operations.
(B) **That enable managers to have better control over the resources.**
(C) The help in the choice of technology.
(D) that help in the allocation of scarce resources.
8. The best test of a successful strategy implementation is
(A) Whether the structure is well matched to strategy
(B) Whether the strategies and procedures are observed in a strategy supportive fashion
(C) **Whether actual organizational performance matches or exceeds the targets spelt out in the strategic plan**
(D) Whether it is made after the strategy is formulated, so that it is supportive to the strategy
9. Strategic Business Unit (SBU) structure does NOT experience one of the following as an advantage:
(A) Higher career development opportunities
(B) Better control of categories of products manufacturing, marketing and distributions
(C) **High cost approach**
(D) Help in expanding in different related and unrelated businesses

SET-3

10. Strategy formulation is positioning forces before.....
a) Implementation b) Execution **c) Action** d) None of the above
11. Which of the following statement is correct for strategy implementation?
a) Strategy implementation positions forces before the action.
b) It requires intellectual skills
c) It is basically an operational process.
d) It focuses on effectiveness.
12. What type of organizational structure is a radical organization design?
a) Divisional structure b) Functional Structure
c) Network structure d) Matrix structure
13. What type of organizational structure do most complex business follow?
a) Divisional structure b) Functional structure
c) Hour Glass structure **d) Matrix structure**
14. Matrix structure is one of the.....structures in which different functional units and employees communicate with each other in both horizontal and vertical direction, very much like a matrix.
a) Simple **b) Complex** c) much easy d) confusing
15. Multi divisional or M form structure was developed in response to coordination & control related problems in.....
a) Small firms b) Medium size firms
c) Large firms d) Government organisations
16. Which one is not a category of Divisional structure
a) Division by geographical area b) Division by product
c) Division by customer **d) Division by technology**
17. As organisation grows, their structure generally changes from simple to as a result of linking together of several basic strategies.
a) Large **b) Complex** c) matrix d) Functional
18. Aditya Swaroop is the head of operations of Bindal & Sons private limited. He is focusing on total or aggregate management functions in the sense of embracing the integrated activities of a complete department. He assures the resources are obtained and used effectively and efficiently in the accomplishment of the organisation's objectives. He is practicing as: -
a) Strategic control **b) Management control**
c) Administrative control d) Operations control
19. After an earnest attempt to bring in a strategic change in your organization, you the operational head of XYZ Ltd, succeeded but still your organization couldn't achieve the desired competitive position in the market. Out of the following what could be the reason?
a) Strategy formulation b) Strategy model
c) Strategy implementation d) Strategy decision
20. As a strategist, what is your understanding of how strategies are put into action?
a) Strategies are statements of Intent realized through Implementation.
b) Strategies are statements of Intent that are automatically activated.
c) Strategies, by themselves, lead into action.
d) By strategy formulation and not through implementation.
21. You being the core strategist of your company, entrusted with bringing about strategic change in your company, how will you initiate "unfreezing of the situation"?
a) Promoting new ideas throughout the organization
b) Promoting compliance throughout the organization

- c) Promoting change in process throughout the organization
 - d) None of the above
22. Which one is not a type of strategic control?
- a) Operational control**
 - b) Strategic surveillance
 - c) Special alert control
 - d) Premise control

SET-4

23. What is the initial step in the strategic management process?
- a. Implementation of goals
 - b. Analysis of themes
 - c. Development of a clear vision**
 - d. Conducting formal meetings
24. What is the purpose of key performance measures in the strategic plan?
- a. To develop strategic themes
 - b. To link back to the organization's goals**
 - c. To analyze internal strengths
 - d. To conduct semi-annual meetings
25. What is the first stage in the strategic management process?
- a. Implementation of strategy
 - b. Environmental and organizational analysis
 - c. Formulation of strategy
 - d. Developing a strategic vision and formulation of a statement of mission, goals, and objectives**
26. Which stage is concerned with crafting the actual plan for how the organization will achieve its objectives?
- a. Strategic evaluation and control
 - b. Formulation of strategy**
 - c. Implementation of strategy
 - d. Developing a strategic vision
27. When does the execution of the strategy take place in the strategic management process?
- a. After strategic evaluation and control
 - b. Before environmental and organizational analysis
 - c. During the development of a strategic vision
 - d. After the formulation of strategy**
28. What does a strategic vision for a company primarily focus on?
- a. Detailed competitive strategies
 - b. Tactical goals
 - c. Directional path and future prospects**
 - d. Operational efficiency
29. What role does a mission statement play in strategic management?
- a. Outlining competitive strategies
 - b. Communicating aspirations to stakeholders**
 - c. Setting detailed objectives
 - d. Improving operational efficiency
30. What is the purpose of setting objectives in strategic management?
- a. Providing a basis for major decisions**
 - b. Enhancing operational efficiency
 - c. Restricting organizational performance
 - d. Avoiding challenges for company personnel
31. Why is the objective-setting exercise considered important in strategic management?
- a. To restrict organizational performance
 - b. To avoid challenges for company personnel

- c. To convert the strategic vision into specific performance targets**
d. To minimize financial performance improvement
32. What is the first step in strategy formulation?
a. Implementing strategic alternatives
b. Deep analysis of strategic alternatives
c. Developing budgets
d. Developing strategic alternatives
33. What are the strategic alternatives a company may face during strategy formulation?
i. Continuing in the same business
ii. Growing/expanding existing units
iii. Diversifying into related or unrelated areas
iv. Exiting existing business fully or partially
a. i and ii b. ii and iii c. iii and iv **d. All of the above**
34. What is the most demanding and time-consuming part of the strategy management process?
a. Formulating strategy b. Environmental scanning
c. Implementation and execution d. Strategic evaluation and control
35. What is the trigger point for deciding whether to continue or change the company's vision, objectives, and strategy?
a. Developing budgets b. Strategic execution
c. Strategic evaluation and control d. Formulating strategy
36. When should a company revisit its direction, objectives, and strategy?
a. Only when market position improves
b. Only during external disruptions
c. Anytime external or internal conditions warrant
d. Only during poor strategy execution
37. Who primarily develops strategic plans for the entire organization?
a. Top-level management b. Middle-level management
c. Lower-level management d. All levels of management equally
38. What is the core of the strategic planning process?
a. Operational plans **b. Formation of corporate strategy**
c. Tactical plans d. Middle-level management plans
39. How can organizations build flexibility into their strategies to deal with strategic uncertainty?
a. Strengthening operational processes
b. Regularly monitoring key indicators of change
c. Diversifying product portfolio and markets
d. Collaborating with other organizations
40. What is one way to reduce the impact of strategic uncertainty on an organization's product portfolio?
a. Ignoring strategic uncertainty
b. Reducing operational flexibility
c. Focusing on a single market
d. Diversifying the product portfolio
41. What does the impact of a strategic uncertainty depend on?
a. Number of uncertainties
b. Importance of the impacted SBU to a firm
c. Historical trends
d. Level of competition
42. What might indicate the importance of established SBUs?
a. Associated sales, profits, or costs
b. Potential growth

- c. Historical trends
 - d. Operational processes
43. What is the primary focus of strategy implementation?
- a. Developing strategic alternatives
 - b. Formulating policies
 - c. Translating a strategic decision into action**
 - d. Analyzing potential possibilities
44. What does strategic implementation presuppose about the strategic decision (strategic choice)?
- a. The decision is irrelevant
 - b. The decision was made without feasibility and acceptability considerations
 - c. The decision was made with some thought given to feasibility and acceptability**
 - d. The decision was made without any planning
45. In the matrix representing combinations of strategy formulation and implementation, what does Square A represent?
- a. Flawed strategy formulation and excellent implementation
 - b. Flawed strategy formulation and difficulties in implementation**
 - c. Sound strategy formulation but difficulties in implementation
 - d. Successful strategy formulation and implementation
46. According to the matrix, what does Square D represent?
- a. Successful strategy formulation and implementation
 - b. Flawed strategy formulation but excellent implementation**
 - c. Flawed strategy formulation and difficulties in implementation
 - d. Sound strategy formulation but difficulties in implementation
47. What does effectiveness, in contrast to efficiency, highlight in organizational management?
- a. Short-term goals
 - b. The relationship between inputs and outputs
 - c. The attainment of organizational goals, including desired competitive position**
 - d. The focus on cost-cutting
48. What is a fundamental difference between strategy formulation and strategy implementation?
- a. They are entirely separate processes
 - b. They use different tools and concepts
 - c. They are only applicable to for-profit organizations
 - d. They are inextricably linked but have different focuses**
49. What is a key characteristic of strategy implementation across different types and sizes of organizations?
- a. Uniformity
 - b. Substantial variation**
 - c. Exclusivity to manufacturing organizations
 - d. Limited applicability to service organizations
50. Which of the following is NOT mentioned as an action required during the implementation of strategies?
- a. Altering sales territories
 - b. Developing financial budgets
 - c. Changing advertising strategies
 - d. Conducting market research**
51. What do forward linkages in strategic management refer to?
- a. Impact of strategy implementation on strategy formulation

- b. Impact of strategy formulation on strategy implementation**
c. The simultaneous occurrence of formulation and implementation
d. Theoretical concepts with no practical significance
52. What is the primary nature of strategy formulation?
a. Administrative task
b. Entrepreneurial activity
c. Operational decision-making
d. Implementation-oriented
53. What is the relationship between strategy formulation and organizational structure changes?
a. No relationship
b. Organizational structure changes precede strategy formulation
c. Organizational structure changes follow strategy formulation
d. Organizational structure changes are unrelated to strategy formulation
54. Which type of linkages involve changes in organizational structure, leadership style, and other aspects during strategy formulation?
a. Forward linkages
b. Backward linkages
c. Both forward and backward linkages
d. Operational linkages
55. What type of changes take the organization from its current state to its desired state over time?
a. Incremental changes
b. Radical changes
c. Administrative changes
d. Entrepreneurial changes
56. What is the role of strategies in the context of implementation tasks?
a. Strategies lead to action
b. Strategies are a statement of intent
c. Strategies are a form of procedural implementation
d. Strategies require resource allocation
57. Which activity involves designing a proper organizational structure, installing systems, and devising functional policies for the successful execution of plans?
a. Resource allocation
b. Structural implementation
c. Procedural implementation
d. Behavioural implementation
58. In the sequence of issues in strategy implementation, what follows project implementation?
a. Procedural implementation
b. Resource allocation
c. Behavioural implementation
d. Structural implementation
59. What is the key to making the change lasting in Kurt Lewin's Model of Change?
a. Unfreezing the situation
b. Changing to the new situation
c. Refreezing
d. Breaking down old attitudes
60. Which phase of Kurt Lewin's Model involves making individuals aware of the necessity for change and preparing them for it?
a. Unfreezing
b. Changing

- c. Refreezing
 - d. Institutionalizing
61. What is digital transformation, and why is it considered a fundamental change?
- a. The use of analog technologies to improve company procedures
 - b. The implementation of traditional methods in a digital environment
 - c. The use of digital technologies to develop or improve company processes**
 - d. The transition from digital to analog technologies
62. What is the primary role of change management in the context of digital transformation?
- a. Overcoming obstacles in digital transitions**
 - b. Implementing digital technologies
 - c. Defining digital goals and objectives
 - d. Assessing the current state of digital technologies
63. What are the four essential elements of change management in the digital transformation process?
- a. Goal definition, current state assessment, roadmap creation, change implementation**
 - b. Stakeholder involvement, risk reduction, vision creation, result monitoring
 - c. Digital assessment, roadmap planning, change execution, goal monitoring
 - d. Vision definition, goal setting, technology assessment, result analysis
64. What is the main purpose of change management models and methods in organizations?
- a. Reducing the use of digital technologies
 - b. Managing changes in a regulated and safe manner**
 - c. Implementing changes without a clear vision
 - d. Avoiding any disruptions in the organization
65. What is a key focus area for ensuring a successful transformation in modern businesses?
- a. Product development
 - b. Customer preferences
 - c. Change management**
 - d. Market opportunities
66. Why is it crucial for change to begin at the top in an organization?
- a. It reflects a united leadership invested in the company's future.**
 - b. It eliminates the need for change in lower levels.
 - c. It avoids disruptions in the organization.
 - d. It ensures employee satisfaction.
67. How can disruption be reduced during the introduction of new tactics or technologies for corporate operations?
- a. Keeping changes a secret until the last moment
 - b. Creating an environment resistant to change
 - c. Empowering change agents to provide context and clarity**
 - d. Avoiding communication about changes
68. Why is communication essential during the process of change management?
- a. To eliminate change
 - b. To create resistance to change
 - c. To keep everyone on the same page**
 - d. To avoid workplace collaboration
69. Why is it important to specify the aims and objectives of digital transformation?
- a. To create confusion among stakeholders
 - b. To make the transformation overwhelming
 - c. To ensure everyone is pursuing different aims
 - d. To make sure everyone is on the same page and pursuing the same aims**
70. What is crucial for people to accept and adjust to during a digital transformation?
- a. Resistance

- b. Change**
c. Overwhelming tasks
d. Lack of communication
71. Why should organizations be ready for resistance during a digital transformation?
a. Resistance is never encountered during transformations
b. To ignore resistance and proceed with the plan
c. Because resistance is a positive sign
d. Even positive changes can be challenging for people to embrace
72. Why is it advisable to implement changes gradually during a digital transformation?
a. To create confusion
b. To overwhelm individuals with too much change
c. To give people time to become used to the new way of doing things
d. To discourage employees from adapting to changes
73. What does the "Strategy" element in the McKinsey 7S Model refer to?
a) Leadership style
b) Organizational culture
c) Direction of the organization
d) Core competencies
74. What is a limitation of the McKinsey 7S Model?
a) It considers external environment factors
b) It explains organizational effectiveness clearly
c) It is considered highly flexible for decision-making
d) It ignores gaps in conceptualization and execution of strategy
75. Which of the following is NOT mentioned as a symptom of an ineffective organizational structure?
a) Too many levels of management
b) Too many meetings with key stakeholders
c) Too much attention to solving interdepartmental conflicts
d) Too large a span of control
76. What is emphasized as a concern regarding organizational structure's influence on strategy?
a) Making bad managers good
b) Making bad strategy good
c) Making bad products sell
d) Making bad products good
77. What characterizes a simple organizational structure?
a) Extensive specialization of tasks
b) Complex information systems
c) Direct involvement of owner-manager in day-to-day operations
d) High formalization
78. What does a divisional structure offer in terms of accountability?
a) Ambiguous accountability
b) Centralized accountability
c) Clear accountability
d) No accountability
79. When is a divisional structure by geographic area most appropriate?
a) When offering only a few products
b) When specific products need special emphasis
c) When catering to the requirements of different customer groups
d) When serving customers in different geographic areas
80. What characterizes the Multidivisional (M-form) structure?
a) Centralized decision-making

- b) Delegation of responsibility to division managers**
c) Functional departments overseeing individual products
d) Loss of control at the corporate level
81. What does the Multidivisional structure call for?
a) Integration of functional hierarchies across divisions
b) Centralized management of day-to-day operations
c) A small corporate office for long-term strategic direction
d) Loss of responsibility for division managers
82. What is the purpose of strategic control in a less diversified firm with a Multidivisional structure?
a) Managing day-to-day operations
b) Allocating resources effectively
c) Overseeing financial controls
d) Assessing individual business unit performance
83. How are divisions managed in a highly diversified firm with a Multidivisional structure?
a) Through strategic controls
b) Through financial controls
c) Through operational controls
d) Through loss of corporate control
84. What do Strategic Business Units (SBUs) address in the context of the Multidivisional structure?
a) Loss of control at the corporate level
b) Coordination and control issues
c) Centralized decision-making
d) Allocation of costs to individual products
85. What does an increase in diversification strain in a Multidivisional structure?
a) Operational understanding by corporate officers
b) The ability to assess individual product performance
c) The focus on financial outcomes
d) The management of day-to-day operations
86. What does financial control in a Multidivisional structure focus on?
a) Centralized decision-making
b) Operational outcomes of divisions
c) Cash flow and profits from distinct businesses
d) Strategic understanding by corporate officers
87. What is the primary purpose of grouping products/businesses into Strategic Business Units (SBUs)?
a) To create territorial units for planning
b) To provide composite planning treatment
c) To maintain territorial structure
d) To increase strategic confusion
88. What are the three most important characteristics of an SBU?
a) Territorial structure, varied planning treatments, unrelated products
b) Independent planning, own set of competitors, no managerial responsibility
c) Single business or related businesses, own set of competitors, managerial responsibility
d) Scientific grouping, strategic planning vagueness, territorial planning
89. What is the role of the corporate office in an SBU structure?
a) Day-to-day operations and divisional strategy
b) Delegating responsibility to division managers
c) Formulating and implementing overall corporate strategy
d) Handling profit performance at the SBU level

90. How does an SBU structure improve coordination between divisions?
- a) By creating strategic confusion
 - b) By encouraging varied planning treatments
 - c) By grouping similar products into SBUs**
 - d) By maintaining territorial structure
91. What does the SBU concept help in achieving for a multi-business corporation?
- a) Increased territorial grouping
 - b) Vagueness and confusion in strategic planning
 - c) Scientific grouping of businesses for strategic planning**
 - d) Maintaining identical strategic planning treatments
92. What does the concept of relatedness in SBUs refer to?
- a) Similarities in customer preferences
 - b) Differences in technology or products
 - c) Building on similar competences**
 - d) Varied planning treatments
93. What distinguishes a matrix structure from functional and divisional structures?
- a) Vertical flows of authority
 - b) Horizontal flows of authority**
 - c) Unity of command principle
 - d) Permanent product units
94. In a matrix structure, employees have two superiors. Who are they?
- a) Functional manager and divisional manager
 - b) Project manager and functional manager**
 - c) Product manager and marketing manager
 - d) CEO and CFO
95. Why is a matrix structure considered the most complex of all designs?
- a) It has permanent product units
 - b) It relies solely on vertical flows
 - c) It combines both vertical and horizontal flows**
 - d) It does not involve dual reporting channels
96. In which industries is the matrix structure widely used?
- a) Manufacturing and retail
 - b) Information technology and finance
 - c) Construction, healthcare, research, and defense**
 - d) Energy and agriculture
97. When is a matrix structure particularly effective?
- a) When pursuing a single strategic priority
 - b) When external environment is simple and stable
 - c) When several variables have roughly equal strategic priorities**
 - d) When relying solely on vertical communication
98. What is the first phase proposed by Davis and Lawrence for the development of a matrix structure?
- a) Product/brand management
 - b) Mature matrix
 - c) Cross-functional task forces**
 - d) Cross-divisional structure
99. What characterizes the network structure in terms of business functions?
- a) Virtual elimination of business functions**
 - b) Centralization of all business functions
 - c) Strict hierarchy of business functions
 - d) In-house concentration of business functions

100. When is the network structure most useful for a firm?
- a) In a stable environment
 - b) In an unstable environment with no need for innovation
 - c) In an unstable environment with a need for innovation and quick response**
 - d) In a hierarchical environment
101. What is a characteristic of the network structure's approach to employees in comparison to traditional structures?
- a) Extensive use of salaried employees
 - b) Limited use of contracts for specific projects or time periods**
 - c) High level of vertical integration
 - d) Dependence on long-term contracts with suppliers and distributors
102. How does the network structure handle its business functions in terms of geographical locations?
- a) Centralized in a single building
 - b) Distributed across different geographical locations**
 - c) Outsourced to external agencies
 - d) Concentrated in a small headquarters
103. What advantage does the network structure provide to organizations?
- a) Increased transaction costs
 - b) Synergies through combining activities**
 - c) Dependence on vertical integration
 - d) Limited adaptability to technological change
104. What is a characteristic of the hourglass organization structure's middle layer?
- a) It is expansive and includes many managerial levels
 - b) It is short and narrow**
 - c) It is similar to traditional middle-level management
 - d) It is unaffected by technological tools
105. How is information technology utilized in the hourglass organization structure?
- a) It is only used by the middle layer
 - b) It links the top and bottom levels, reducing tasks for the middle layer**
 - c) It is irrelevant in this structure
 - d) It replaces the top and bottom levels
106. What type of tasks are typically handled by managers in the hourglass structure?
- a) Specialized tasks related to specific functions
 - b) Narrow and routine tasks
 - c) General tasks across various functions**
 - d) Strategic tasks only
107. What is a benefit of the hourglass structure in terms of decision-making?
- a) Decision-making authority is concentrated at the top level
 - b) Decision-making authority is decentralized, closer to the source of information**
 - c) Decision-making authority is completely automated
 - d) Decision-making is solely dependent on middle-level managers
108. What challenge does the hourglass structure pose in terms of career progression?
- a) Limited promotion opportunities for lower levels**
 - b) A surplus of managerial positions
 - c) Increased competition for middle-level managers
 - d) Enhanced career growth opportunities
109. What are the components that contribute to defining an organization's culture?
- a) Only management practices
 - b) Only ethical standards
 - c) Only employee attitudes

d) Various sociological forces, values, and practices

110. In the context of strategy execution, what role does an organization's culture play?
- a) It is irrelevant to strategy execution
 - b) It is always an obstacle
 - c) It can either be an important contributor or an obstacle**
 - d) It only supports strategy implementation
111. What is the consequence of a strategy-culture conflict?
- a) Enhanced strategy execution
 - b) Increased alignment between strategy and culture
 - c) Weakened and defeated managerial efforts to make the strategy work**
 - d) A smooth transition to a new strategy
112. How can an organization create a strong fit between strategy and culture?
- a) By disregarding the existing culture
 - b) By changing the strategy to fit the existing culture
 - c) By selecting a strategy compatible with prevailing corporate culture**
 - d) By avoiding cultural change altogether
113. What does strategic leadership involve?
- a) Only developing and communicating a vision of the future
 - b) Formulating strategies without considering the external environment
 - c) Initiating changes without inspiring the staff
 - d) Developing and communicating a vision of the future, formulating strategies, bringing about changes, and inspiring staff**
114. What are the leadership roles that a manager as a strategic leader has to play?
- a) Only visionary
 - b) Only chief entrepreneur
 - c) Various leadership roles including visionary, chief entrepreneur, and more**
 - d) Only spokesperson
115. What is the significance of a manager's frame of reference in strategic leadership?
- a) It has no impact on strategic leadership
 - b) It bounds a manager's understanding of the organization**
 - c) It is only concerned with short-term activities
 - d) It limits a manager's decision-making abilities
116. What is the primary purpose of the controlling function in management?
- a) To ensure and make possible the performance of planned activities**
 - b) To regulate and check undesirable tendencies
 - c) To set predetermined goals
 - d) To analyze and correct deviations
117. What are the elements of the process of control?
- a) Objectives, monitoring mechanism, corrective feedback, and analysis**
 - b) Vision, mission, goals, and objectives
 - c) Policies, procedures, and standards
 - d) Plans, instructions, and resources
118. What is the focus of operational control?
- a) Entire organization
 - b) Integrated activities of a department or division
 - c) Total management functions
 - d) Individual tasks or transactions**
119. What is the purpose of strategic control according to Schendel and Hofer?
- a) To focus on operational activities
 - b) To detect deviations from standards
 - c) To evaluate whether the strategy is being implemented as planned and if the results produced are intended**

- d) To regulate and check undesirable tendencies
120. What is the primary purpose of Strategic Performance Measurement (SPM)?
- a) To generate profit
 - b) To assess the financial performance of an organization
 - c) To track progress towards strategic goals using performance measurements**
 - d) To increase internal rivalry
121. What is a key consideration when choosing Key Performance Indicators (KPIs) for strategy implementation?
- a) Their complexity
 - b) Their influence on the behavior of people within the organization**
 - c) Their alignment with financial goals
 - d) Their ability to preserve empires
122. Why are Strategic Performance Measures essential for organizations?
- a) To foster internal rivalry
 - b) To assess employee satisfaction
 - c) To demonstrate accountability to stakeholders**
 - d) To preserve empires

SET-5

123. Which of the following is/are feature(s) of strategic planning
- a) Future oriented b) action oriented c) flexible **d) all of the above**
124. Which of the following is/are major dimensions of strategic Decisions
- a) Resources b) Future oriented c) Environmental factors **d) all of the above**
125. Strategic Intent
- a) signals the company's vision and the significance attached to the vision
 - b) gives an idea of what the entity would be in the future
 - c) represents that the firm stands for
 - d) all of the above**
126. _____ refers to the future trend or event that has inherent unpredictability
- a) strategic vision b) organisation mission
 - c) strategic uncertainty** d) none of the above
127. Good strategy execution involves creating strong "fits"
- a) between strategy and organisational capabilities
 - b) between strategy and the reward structure
 - c) between strategy and internal operating systems
 - d) all of the above**
128. A possible and desirable future state of an organization is called:
- a) Mission
 - b) Vision**
 - c) Strategy implementation
 - d) strategy formulation
129. What is the starting point of strategic intent ?
- a) Objectives
 - b) goals**
 - c) Mission
 - d) vision
130. Analysing the ext environment and the organisations resources anr part of the :
- a) Functional level planning process b) Determining the mission of the business
 - c) Financial planning process **d) Strategic planning process**
131. Which of the followin 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
132. Which of the following statements best describes strategic management ?
- a) A process consisting of determining objectives and strategic action to achieve those

- objectives
- b) A process consisting of determining objectives, strategic actions to achieve those objectives, the implementation of desired strategy, and the monitoring of that strategy
- c) A process consisting of determination of direction, strategic actions to achieve objectives, the implementation of desired strategy, and monitoring of that strategy**
- d) A process for determining direction, strategic action to achieve objectives, and the implementation of desired strategy
133. The term corporate strategy concerns strategy and strategic decisions
- a) Incertain types of organization
- b) At all level in an organization**
- c) Developed by the senior management in an organization
- d) In the private sector only
134. Which of the following would you not expect to see in a vision statement ?
- a) Descriptions of desirable future situations b) Motivational terminology
- c) Focus on the values to which the organization is committed
- d) What the organization seeks to do to reach desirable future states**
135. _____ is the collection of managerial decisions and actions that determine the long-run performance of an organization
- a) planning b) goal-oriented management
- c) Strategic management** d) leadership
136. Why is strategic management important?
- a) It has little impact on organizational performance
- b) It is involved in many of the decisions that managers make**
- c) Most organization do not change
- d) Organizations are composed of similar divisions and functions
137. Which of the following is not a purpose of strategic thinking ?
- a) To realize what needs to change**
- b) To establish the agenda for managing strategic change
- c) TO clarify future direction
- d) To allocate scarce resources
138. The stragic management process is
- a) a set of activities that is guaranteed to prevent organizational failure
- b) a process concerned with a firms resources, capabilities, and competencies, but not the conditions in its external enviroment
- c) a set of activities that to date have not been used successfully in the not-for-profit sector
- d) a dynamic process involving the full set of commitments, decisions, and actions related to the firm**
139. The vision and mission statement can often be found
- a) in the SEC report **b) in annual reports**
- c) on customer receipts d) on supplier invoices
140. The purpose of a misiion statement is to declare all of these except
- a) a reason for being **b) an annual financial plan**
- c) a statement of purpose d) a statement of beliefs
141. The mission statement answer which question ?
- a) What is our business ?** b) How can we improve ourselves ? c) What do we want to become?
- d) Who are our stakeholders ?
142. In the process of developing a mission statement, it is important to involve
- a) as few managers as possible **b) as many management as possible**
- c) upper-level management only d) lower-level management only
143. What can be used to promote unbiased views and to manage the development of the

- mission and vision statement more effectively?
a)an internal group
c)command-and-control
b)a committee of managers
d)a facilitator
144. Which of the following is not a factor in the positioning of an organization in an industry?
a)competitive advantage
c)Market share
b)Rate of growth
d)size
145. Effective mission statements can vary in
a)length
c)format
b)content
d)all of the above
146. Which component of a mission statement addresses the basic beliefs, values, aspirations, and ethical priorities of the firm?
a)Technology
c)Concern for public image
b)Philosophy
d)Customers
147. Which of the following is not a means to develop a customer commitment focus in the organization ?
a)Introducing quality control
c)Enhancing customer service
b)Activity mapping
d)Image building
148. By what means should an organization measure its performance ?
a)Efficiency
c)Economy, efficiency, and effectiveness
b)Effectiveness
d)Efficiency and effectiveness
149. _____ is also referred to as external strategic management audit
a)Organizational analysis
c)Industry analysis
b)Environmental analysis
d)none of the above
150. _____ begins with identifying the industry's dominant economic features and forming a picture of the industry landscape
a)Organizational analysis
c)Environmental analysis
b)Industry analysis
d)Competitive analysis
151. Why of the following is the best reason for why strategic planning is still important today ?
a)Without a formal strategic plan a company cannot expect to compete effectively
b)Without a strategic plan an organization can drift without purpose or definition
c)Without it, companies would exist without cause or co-ordination
d)Because of slower economic growth, globalization and technological change
152. The understanding of what key element is essential for successful strategic planning ?
a)Understanding the needs and expectations of stakeholders
b)Understanding competencies
c)Understanding the processes of strategic change
d)Understanding how to plan
153. _____ of an organization deals with investigation of organizational strengths and weaknesses by focusing on factors which are relevant to it
a)External analysis
c)Industry analysis
b)Internal analysis
d)Business analysis
154. Developing a _____ is like having a dream to be covered into reality in future
a)Mission
c)Goals
b)Objectives
d)Vision
155. Which of the following is a consideration when assessing the feasibility of a strategy ?
a)Timing
c)Synergy
b)Planning
d)Culture
156. The basic activities of strategic management include:
a)offense, defense, and control
b)situation analysis, strategy formulation, implementation, and evaluation

- c)development, control, and management
d)ethics, management, and practice
157. Environmental scanning occurs in what phase of strategic conflict management ?
a)Reactive **b)Proactive**
c)Recovery d)Strategic
158. How often should strategic-management activities be performed ?
a)Annually b)Quarterly
c)Monthly **d)continuously**
159. Drishti care is not-for profit eye hospital and research centre. Which one of the following statements is likely to relate to Drishti care's vision, rather than its mission statement ?
a)Drishti care places patient care before all else
b)Drishti care will be the global leader in cutting edge eye surgery
c)Drishti care offers the highest level of patient care throughout country
d)Drishti care consultants strive to continually improve surgical techniques
160. The philosophical base of strategic management falls within the concept of
a)Strategic Intent b)Portfolio Analysis
c)Globalisation d)Vision statement
161. Meba Ltd. Had a huge capacity of 40,000 kilo Litres production of kerosene oil, and they were able to achieve 90% of it almost always, while the teams were also aware that they can achieve 100% capacity with very less efforts, but always kept margins. Further, the business team was planning to setup two more plants of 20,000 kilo Litre capacity each in the next five years. This was a welcomed move from state governments as well. From the above which of the following aspects of the objective has not been given much importance ?
a)They should be clear and quantifiable b)They should be concise
c)They should be challenging
d)They should provide standard for comparative appraisal
162. Members of Infinite care, an NGO, have met and determined that they need to formulate a philosophical basis for their activities. Thereby they have come up with a statement :- "Provide children till age 12, living in homeless or low-income situations, with the essential items they need to thrive - at home, at school and at play" Identify the area of strategic intent, which the members have stated ?
a)Vision b)Business definition
c)Goal and objective **d)Mission**
163. The following is the message of a CEO to all his divisional heads: It is significant to understand the persisting need for developing new vistas of work, and that, of course, is preceded by the acute need for the ability to adapt the everchanging external world. We at Krom Limited, have identified that embracing digital technology is where our future lies, and we shall all pledge to make this transition a successful choice which will definitely entail a few organisational changes." The underlying message of the CEO in your opinion is that of a :
a)Business mission statement **b)Business definition statement**
c)Strategic objective statement d)Strategic transformational leadership statement
164. In which phase of strategic management are annual objectives especially important ?
a)Formulation b)Control
c)Evaluation **d)Implementation**
165. Specific results an organization seeks to achieve in pursuing its basic mission are :
a)Strategies b)Rules
c)Objectives d)Policies
166. Which one is not the element of strategic intent ?

- a)Business model
c)Business definition
167. During what stage of strategic management are a firm's specific internal strengths and weaknesses determined ?
a)Formulation
c)Evaluation
168. What are the means by which long term objectives will be achieved ?
a)Policies
c)Vision
d)Strategies
169. What is the first step in the comprehensive strategic-management model ?
a)Developing vision and mission statements
c)Measuring and evaluating performance
b)Performing external audits
d)Establishing long-term objective
170. Developing vision and mission, identifying an organisation's external opportunities and threats, and determining internal strengths and weaknesses are :
a)SBU planning
c)Strategy implementation
b)Strategy formulation
d)Business process reengineering
171. A simple organisational structure, where decisions are taken by the Owner-Manager is
a)centralised structure
c)Both
d)None of these
172. Which of the following is a demerit of simple organisational structure
a)Not suitable when the firm grows larger/ bigger
b)More pressure on Owner-Managers
c)Cannot manage complicated information processing requirements
d)All of above
173. Which of the following is a demerit of simple functional structure
a)Minimizes career development opportunities
b)Creates Line-staff conflicts
c)Inadequate planning for products and markets
d)All of above
174. Which of the following help in gaining competitive advantage by using functional structure
a)Encourages efficiency
c)Allows quick decision-making
b)Promotes specialization of labour
d)All of above
175. Which of the following help in gaining competitive advantage by using Divisional structure
a)Promotes accountability
c)All of above
b)Employee morale
176. _____ is composed of operating divisions where each division represents a separate business, to which the top management delegates responsibility for day to-day operations and business unit strategy to division managers
a)M-form structure
c)Matrix structure
b)Divisional structure
d)Hour glass structure
177. _____ is a single business or collection of related businesses
a)SBU
c)Conglomerate
b)SKU
d)None of these
178. _____ groups similar divisions into Business units and delegates authority and responsibility for each unit to a head senior executive, who reports directly to the top management/CEO.
a)M-form structure
c)Matrix structure
b)SBU structure
d)Hour glass structure
179. Which of the following help in gaining competitive advantage by using SBU structure
a)Individual SBUs are treated as profit centers

- b) Promotes accountability
c) Facilitates better co-ordination, harmony and orderliness in operations
d) All of the above
180. Which of the following is a demerit of matrix structure
a) Higher employee costs
b) Dual lines of authority
c) Conflicts in Resource Allocation decisions
d) All of the above
181. In Which of the following situations matrix structure can be used
a) Ideas need to be cross-integrated across various projects or products
b) Resources are scarce
c) External environment is very complex, changeable and uncertain
d) All of the above
182. _____ is a series of independent firms or business units linked together by computers in an information system that designs, produces, and markets a product or service
a) **Network organisation**
b) Simple organisation
c) matrix Organisation
d) None of these
183. Which of the following is a demerit of network structure
a) Availability of numerous potential partners
b) Contracting out functions to separate suppliers/ Distributors may keep the firm from discovering any synergies by combining activities
c) Become non-competitive
d) All of the above
184. _____ consists of three layers with a constricted middle layer, a short and narrow middle-management level.
a) M-form structure
b) Divisional structure
c) Matrix structure
d) Hour glass structure
185. Which of the following help in gaining competitive advantage by using hour glass structure
a) Reduced costs
b) Better Responsiveness in decision
c) **Both**
d) None of these
186. Which of the following results in Behavioral problems in newer organisational structures
a) Many works become deskilled
b) Employee may lack the level of confidence
c) New structural arrangements may create stress for many employees
d) All of the above
187. Which of the following is/are aspect(s) of leadership role
a) Visionary
b) Motivator
c) Policy maker
d) All of the above
188. _____ is the ability of influencing others, to voluntarily make decisions that enhance prospects for the organizations long-term success while maintaining short-term financial stability
a) **Strategic leadership**
b) core competency
c) Corporate culture
d) None of these
189. _____ motivates followers to do more than originally affected to do by stretching their abilities and increasing their self-confidence
a) Transactional leadership
b) **Transformational leadership**
c) Autocratic
d) None of these
190. Who will challenge established paradigms and ways of working
a) **Transactional leadership**
b) Transformational leadership
c) Autocratic
d) None of these
191. _____ uses the authority of its office to exchange rewards such as pay and status
a) **Transactional leadership**
b) Transformational leadership
c) Autocratic
d) None of these

192. _____ may be appropriate in growing or mature industries
a) Transactional leadership b) Transformational leadership
 c) Autocratic d) None of these
193. _____ is better suited in persuading people to work efficiently and run operations smoothly
a) Transactional leadership b) Transformational leadership
 c) Autocratic d) None of these
194. Person who searches for business opportunities and starts a new enterprise for using that opportunity is called
a) Entrepreneur b) Intrapreneur
 c) Stakeholder d) None of these
195. Entrepreneur is an individual _____
 a) To innovate a new concept
 b) To identify and utilise Business opportunities
 c) To undertake Risks and uncertainties
d) All of the above
196. _____ represents employee initiatives in firms to undertake new things/ methods/ procedures
 a) Entrepreneurship **b) Intrapreneurship**
 c) Both d) None of these
197. _____ is one who is vested with authority of initiating creativity and innovation in the entity's products, services and projects, re-designing the processes, workflows and systems
 a) Entrepreneurship **b) Intrapreneurship**
 c) both d) None of these
198. Intrapreneur is an individual _____
 a) Not to fear failure
 b) To promote innovation to improve the performance and profitability of the organization
 c) To search for opportunities and shape them into high-potential innovations through teamwork and with access to corporate resources
d) All of the above
199. _____ refers to a company's values, beliefs, business philosophy and principles, traditions, work climate, ways of operating and approaching problems, & internal work environment
a) Corporate culture b) Corporate ethics
 c) Brand image d) None of these
200. The primary benefit brought from restructuring is:
 a) Employee involvement **b) Cost reduction**
 c) Increased morale d) Increased number and organizational hierarchy
201. Which of the following is not a way in which organizations can behave more ethically and socially responsibly ?
 a) By avoiding discrimination and improving working conditions
b) By lowering prices to their targeted market, to stimulate demand and increasing profit by increases in productivity to meet customer demands
 c) by ensuring product safety
 d) by avoiding pollution and safely disposing of waste
202. An organization is said to have _____ when it has several different businesses that are independent and that formulate their own strategies
 a) operational units **b) Strategic business units**
 c) competitive advantages d) Legal subunits
203. What are the levels that makes up a company's culture?
a) Artifacts, values, underlying assumptions, and behaviors

- b) Artifacts, values, and underlying assumptions
c) Artifacts, communications, underlying assumptions, and behaviors
d) Values, communications, and underlying assumptions
204. Strategic leaders have two key roles to play. Which two roles are they?
a) Transformational and effective b) Charismatic and effective
c) Transformational and charismatic **d) charismatic and architectural**
205. _____ is called as a bundle of resources
a) Industry b) Unit
c) Organization d) Management
206. SBU stands for
a) satisfied business unit b) Strategic business units
c) strategic building unit **d) strategic business unit**
207. Which one of the following types of organizations would benefit from a matrix structure?
a) Diverse independent businesses in a conglomerate
b) Organizations growing through merger and acquisition
c) Small companies with few plants and limited products or service diversity
d) Small, sophisticated service companies
208. Which of these is not an identified form of organizational structure?
a) Intrapreneurial b) Functional
c) Divisional d) Matrix
209. Which of these are characteristic of matrix structures ?
a) Decentralization and co-ordination b) Centralization and co-ordination
c) Decentralization and control d) Centralization and control
210. The business units strategy has three major components:
a) mission, business, and SBU goals
b) marketing , advertising and pricing objectives
c) mission, business unit goals, and competencies
d) Business mission, department mission, and daily plans
211. _____ originates from the complex combination of sociological forces operating within the company
a) Corporate culture b) corporate culture
c) Brand Image d) None of these
212. corporate culture is reflected in _____
a) Traditions the organization maintains b) supervisory practices
c) employees' attitudes and behaviour **d) All of the above**
213. Culture is an ally or obstacle to strategy execution/ implementation, depends on the _____ between the company's strategy and its culture
a) compatibility b) conflict
c) comfort d) None of these
214. A strategy-culture conflict requires
a) revamping strategy to produce cultural fit
b) revamping the mismatched cultural features to produce strategy fit
c) Both
d) None of these
215. Which of the following highlights importance of corporate culture
a) Influence b) Creativity
c) both d) None of these
216. Which of the following helps to remove unhealthy culture
a) Revising policies and procedures in ways that will help drive cultural change
b) Alter incentive compensation to reward the desired cultural behaviour
c) Visibly praise and recognize people who display the new cultural traits

d)All of the above

217. Which of the following helps for healthy culture

- a)Enlist the support of first line supervisors and employee opinion leaders
- b)convincing the first line managers of the merits of practicing and enforcing cultural norms at the lowest levels in the organization

c)Both

- d)None of these

218. Organisation structure is _____

- a)Firm specific
- b)Size dependant

- c)Not a remedy

d)All of the above

219. The functional structure consists of

- a)A chief executive officer
- b)line managers

c)Both

- d)None of these

220. Within each sub-section, work can be organized from _____by entrusting the work or each unit of job/ task, to lower levels

- a)Bottom-up

b)Top-Bottom

- c)Both

- d)None of these

221. Davis and Lawrence have proposed three distinct phases for development of matrix structure. These phases are

- (1) cross-functional task forces
- (2) Product/ brand management and
- (3) market/ external

- a)Market/external management

- b)functional matrix

c)Mature matrix

- d)Internal management

222. Delta is an organisation specializing in Information Technology enabled services (ITES) and communications business. Last year, the organisation had successfully integrated an Artificial Intelligence(AI) tool named 'Zeus' into existing ERP system. The AI tool, using Deep Learning technique provided a digital leap transformation in various business processes and operations. It has significantly diminished the role played by specialist managers of the middle management. This technological tool in addition to saving organisational costs by replacing many tasks of the middle management has also served as a link between top and bottom has also served as a link between top and bottom levels in the organisation and assists in quick decision making. The skewed middle level managers now perform cross-functional duties. Which type of organisational structure is the company transitioning into ?

- a)Strategic business unit structure

- b)matrix structure

- c)Network structure

d)Hour glass structure

223. Abhishek a freelancer writes promotional materials. He decided to collaborate without requiring physical presence of employee, and hired virtual assistants to transcribe voice mail, update his website, and design powerpoint graphics. What kind of structure is he using for his business?

- a)Functional structure

- b)Divisional structure

c)Network structure

- d)Multi-divisional structure

224. leadership style may be appropriate in turbulent environment.

- a)Transactional

b)Transformational

- c)Autocratic

- d)None of these

225. Change in company's _____ requires reallocation of resources necessitating need for changes in _____

- a)Structure, strategy

b)strategy, structure

- c)Structure,structure

- d)strategy, strategy

226. In strategic management, these are two main styles of leadership. These are transformational and:

- a)Transparent b)Transitional c)Translational **d)Transactional**
227. A person who searched for business opportunity and starts a new enterprise to make use of that opportunity called
a)Employee **b)Entrepreneur** c)Intrapreneur d)Investor
228. Select a distinguishing feature between divisional and functional structure?
a)Both functional departments and divisional process departments are accountable for profits or revenues.
b)Functional departments are not accountable for profits or revenues, whereas divisional process departments are evaluated on these criteria.
c)None of functional departments and divisional process departments are accountable for profits or revenues.
d)Both the structures are same
229. Which of the following situation will most likely suit a transformational leader?
a)An organization that is in trouble
b)A growing organization
c)An organization in a stable environment
d)An organization at maturity stage of product life cycle
230. Corporate culture refers to:
a)Company's values and beliefs
b)company's business principles
c)Internal work environment
d)All the above
231. A corporation organized in network structure is often called
a)Virtual Organization
b)Hierarchical organization
c)Structured organization
d)simple organization
232. What is the second phase of matrix structure proposed by davis and lawrence?
a)cross functional task forces
b)product/brand task forces
c)cross fertilized projects
d)Mature matrix
233. Strategy Implementation/Execution involves
a)the managerial exercise of supervising the ongoing pursuit of strategy
b)improving the competence with which it is executed
c)translating a well-thought out decision into action
d)All of the above
234. Strategic Analysis is based on
a)Environment
b)Firm's goals & purpose
c)Firm's resources and competencies
d)All of the above
235. Strategy Implementation is based on
a)Organisational structure and design
b)Resource Allocation & control
c)Management of strategic change
d)All of the above
236. Ineffective strategic management and efficient operational management result in
a)Success of its mission **b)Slow death of firm**
c)survival of firm d)Quick death of firm
237. Ineffective strategic management and Inefficient operational management result in
a)Success of its mission b)Slow death of firm

- c) survival of firm **d) Quick death of firm**
238. Effectiveness _____
a) Focuses on relationship between input and outputs
b) Focuses on relationship between means and ends
c) Both
d) None of these
239. Effectiveness has _____
a) Short-run time horizon **b) Long-run time Horizon**
c) Irrespective of time d) None of these
240. Effectiveness is _____
a) Introspective effect b) Linkage between firm and its external environment
c) Strategic phenomenon **d) Both b and c**
241. Effectiveness is _____
a) Operational phenomenon **b) Strategic phenomenon**
c) Both d) None of these
242. Effectiveness has _____
a) Strategy Implementation viewpoint
b) Strategy formulation viewpoint
c) Both
d) None of these
243. Strategy formulation focuses on _____
a) Effectiveness b) Efficiency c) Both d) None of these
244. Skills required for strategy formulation is _____
a) Good intuitive and analytical skills b) Motivation skills
c) Leadership skills d) None of these
245. Strategy formulation is _____ oriented
a) Planning b) Execution c) Both d) None of these
246. Corporate level managers are responsible for _____
a) Strategy formulation b) Strategy Implementation
c) Strategic intent d) None of these
247. Strategy Implementation focuses on _____
a) Effectiveness **b) Efficiency** c) Both d) None of these
248. Skills required for strategy Implementation is _____
a) Good intuitive and analytical skills
b) Motivation skills
c) Leadership skills
d) Both b and c
249. Strategy Implementation is _____ oriented
a) Planning **b) Execution** c) Both d) None of these
250. Business level managers are responsible for _____
a) Strategy formulation **b) Strategy Implementation**
c) Strategic intent d) None of these
251. Combination of sound strategy formulation and weak implementation results in
a) Implementation difficulties b) missing leadership
c) lack of resources **d) All of the above**
252. Combination of flawed strategy formulation and excellent implementation results in
a) Seeking business model re-design
b) implementation/ execution re-adjustment
c) re-design their strategy before re-adjusting their implementation/ execution skills
d) None of these
253. Strategy formulation is influenced by strategy Implementation in

- a) **Backward linkage** b) Forward linkage
c) Reverse linkage d) None of these
254. Plans are
a) **Mechanism to activate strategies** b) rules
c) policies d) None of these
255. A specific programme for which the time schedule and costs are predetermined is called
a) Statement of intent b) Goals c) Objectives d) **Project**
256. Top Management's Role in Strategy Implementation include
a) devising policies b) allocating resources
c) establishing annual objectives d) **All of the above**
257. Top management's Role in strategy Implementation include
a) minimizing resistance to change
b) matching managers with strategy
c) developing a strategy - supportive culture
d) **All of the above**
258. Which of the following is / are Participative process(es) for effective strategy Implementation
a) Participation b) Responsibility shift c) Commitment d) **All of the above**
259. _____ is a complex process, and it involves a corporate strategy focussed on new markets, products, services and new ways of doing business
a) strategic control b) Strategic control
c) **strategic change** d) None of these
260. which of the following is / are method(s) for reassigning new patterns of behavior
a) Compliance b) Identification c) Internalization d) **All of the above**
261. Strategic change is a process that involves a corporate strategy to
a) Align the Entity with its new/ changed environment
b) sustain competitive advantage for longer periods
c) focus on new markets, products, services and new ways of doing business
d) **All of the above**
262. As a management process, control involves
a) monitoring the activity
b) measuring results against pre-established standards
c) maintaining/adapting the system
d) **All of the above**
263. Control serves which of the following purposes
a) To monitor the use of resources and assets
b) To examine whether the plans itself are feasible
c) To continuously learn from experience of actual work performance
d) **All of the above**
264. Management control focusses on
a) Efficient b) Effectiveness c) **Both** d) None of these
265. _____ is the process of evaluating strategy as it is formulated and implemented
a) Operational control b) Management control
c) **Strategic control** d) None of these
266. Premise control involves
a) Organisation b) Competitors
c) Global aspects d) **All of the above**
267. _____ is relatively unfocussed, but is capable of uncovering information relevant to the strategy
a) Premise control b) **Strategic surveillance**
c) Special alert control d) None of these

268. Strategy Evaluation and control is becoming increasing more difficult due to which of the following reasons
a) Increase in the complexity of the entity's environment
b) Increase in the number of variables in the environment
c) High rate of obsolescence of even the best plans
d) All of the above
269. Strategy Audit is needed in which of the following situations
a) Non-Achievement of Goals and objectives of the strategy
b) Substantial change in the External environment of the entity
c) Top management identifies a need to adjust the existing business strategies and plans
d) All of the above
270. Which of the following is / are strategy Audit activities
a) Examine the underlying bases of a Firm's strategy
b) Compare the expected results with actual results
c) Take corrective actions to ensure that performance conforms to plans
d) All of the above
271. Which of the following is a need for Business process Re-engineering
a) Outdated process b) Time and cost c) Inefficiency **d) All of the above**
272. Industry / sector benchmarking compares:
a) Organisational performance between firm/public sector organisations in different industries or sector
b) Organisational performance between firm/public sector organisations in the same industry or sector
c) Organisational performance between firm/public sector organisations in different countries
d) Organisational performance between different divisions of the firm
273. Which of the following is an aspect of implementation that Can be changed indirectly if necessary ?
a) Organizational structure b) Information systems
c) Quality d) Procedures
274. What is likely to be the effect of a logical corporate strategy but poor strategy implementation.
a) Strategic weaknesses and underachievement
b) Fragmented performance through strategic and structural flaws
c) structural and stylistic flaws
d) Effectiveness but little efficiency
275. TQM is a strategy that is designed to change the quality of a product to satisfy customer needs by using the concept of
a) benchmarking b) brainstorming
c) reverse brainstorming d) product maintenance
276. When actual performance results are better than what the plan called for, managers should:
a) ignore it b) sell more products
c) issue more stock options to employees **d) increase prices**
277. Best in class benchmarking seeks to assess organisational performance against:
a) The nearest geographical competitor
b) The competitor who is the 'best in class' wherever that may be
c) The competitor who is the best in the industry
d) The nearest principal competitor
278. _____ is the fundamental re-thinking and radical re-design of processes to achieve dramatic improvement, in critical, contemporary measures of performance such as cost, quality, service and speed

- a)BPR b)Benchmarking c)TQM d)None of these
279. Which of the following is/are objectives(s) of BPR
a)To obtain quantum gains in the performance of the process
b)To simplify and streamline the process
c)TO obtain dramatic improvement in operational effectiveness
d)All of the above
280. Which of the following is/are feature(s) of BPR
a)Re-thinking b)Radical c)Normative **d)All of the above**
281. The impact of IT-sytems on BPR can be identified with respect to
a)Operational speed b)Global village
c)Business values **d)All of the above**
282. The problems encountered in connection with BPR is/are
a)Creates serious repercussions
b)causes resistance among the workforce
c)loss of revenue during the transition period of BPR
d)All of the above
283. Benchmarking involves
a)identifying gaps and deficiencies in the firm's own performance
b)finding out novel methods to reduce the gaps
c)ensuring that these improved methods are implemented
d)All of the above
284. Benchmarking can lead to improvements and create competitive advantage in the areas of
a)Human resource mangement b)product distribution
c)Customer services **d)All of the above**
285. Date compilation stage in Benchmarking process involves
a)Obtaining information and data on the firm's actual performance
b)Collecting information and data using different methods
c)creation outline or map of existing business processes
d)All of the above
286. Systematic and continuous monitoring of the business environment to verify the accuracy of assumptions on which strategy is built is achieved by?
a)Premise control b)Special alert control
c)Implementation control d)Strategic surveillance
287. Last year, as a part of the organisational change process, project zeta was implemented by the CTO of omega private limited. Zeta being an artificial Intelligence enabled tool uses machine learning technology to speed up operations by transformation of vatious business processes and operations across finace, sales, delivery, human resources and othe departments. Likewise, the unfreezing phase of the change process has been successfully completed by the company and the employees wholly recognize and accept the need for change. the company now wishes to reasssing new patterns of behavior based on the three processes of compliance, identification and internalization. kindly identify and mark the correct person who propounded this model.
a)kurt lewin b)Richard Rumelt **c)H.C. Kellman** d)William Glueck
288. The Audit committee of theta Ltd on observing a sluggish growth has advised a radical radical internal digital transformation. A strategy audit was proposed to identify problem arease and correct the strategic approaches that have not been effective so far. The strategy auditor while measuring organisational performance has identified gaps in flow between order booking by the sales department and the dispatch of product by the delivery department, which amounts to success of one department means failure for

another. Eith reference to Richard Rumelt's criteria for strategy audit, kindly identify and mark the correct evalution criteria to be adopted.

- a)Advantage **b)Consistency** c)Consonance d)Feasibility

289. Dr. Raman has been running a nursing home for about twenty two years now, and has gained enormous name for his benevolence in balram district of chhttisgarh. Recently, his daughter, Dr. Radhika completed her medicine degree from the United states of America and returned to her hometown to be a part of her father's practice. She has been given the baton to promote modern medicine and retain local skilled youth in their Practice. However, their nursing houme's skilled youth Has been more inclined to E-commerce employment opportunities. Dr. Radhika has taken it as a challenge to imbibe the very essence of service in them, by being employed as nurses and caretakers of the ill. This shal be very crucial in growing the practice as desired. which of the following phases of kurt lewin's model of change will be most challenging for Dr. Radhika to strategically positioning her father's nursing home?

- a)compliance b)Inentification **c)Internalization** d)Transition

290. The management of vasakara Limited, hitherto a successful ball valves maker headquartered in mumbai, is looking to launch a new SBU for its future forward integration plans abroad in sudan. The CEO is now faced with the opportunity-cum-challenge to make this foray into sudan a successful but time-bound buiusinness enterprise. The CEO has already asked his India Operations Head to make a study of sudan's present market conditions and territory specific laws to enable the setup of a local branch office for the proposed SBU. Meantime, the HR manager has come across a promising resume of a person on linkedin. a social networking platform on internet, who is currently engaged in a similar Deputy CEO position with another entity, The management is also in touch with a couple of NRI angle investors based out of singapore, to arrange for venture capital that would be required for this venture. from a strategic management perspective, vadakara limited is currently represented by which strategic time phase:

- a)Strategy formulation phase** b)strategy change phase
c)strategy implementation phase d)strategy internalization phase

291. Get wellsoon limited is ahealth provider and has only large, edge of town hospitals. It is considering setting-up additional small city centre clinics capable of treating less-serious day cases. Which of the following will fall under "Strategy Implementation"?

- 1) Acquiring and fitting out clinics
- 2) Hiring and /or transferring staff
- 3) Publicity, so that patients know where and when to go
- 4) Liaison with general practitiones and the nmain hospitals

- a)only(d) b)&(d) c) (a), (b) & (d) **d)(a), (b), (c) & (d)**

292. Aditya swaroop is the head of operations of Bindal & sons private limited. He is focussing on taotal or aggregate management functions in the sense of embracing the integrated activities of complete department. He assures the resources are obtained and used effectively and efficiently in the accomplishment of the organisation's objectives. He is practicing as :-

- a)strategic control **b)Management control**
c)Administrative control d)Operations control

293. You are working as a senior manager of a company. You are entrusted with the task of putting a strategy in place and see that it is implemented properly. Out of the following, what is the most important thing that you will have to prepare your organization for ?

- (i) strategic audit (ii) Business process reengineering
- (iii) Strategic change (iv) Strategic control

- a)I and iii b)iii and ii **c)I and iv** d)I and ii

294. You are the operations manger and your top management wants to adopt a strategy

that you don't endorse, what problems would this lead to in implementation of the strategy ?

- a) No problem
b) Coordination problem
c) Technical problem
d) Behavioural problem

295. After an earnest attempt to bring in a strategic change in your organization, you the operational head of XYZ Ltd, succeeded but still your organization couldn't achieve the desired competitive position in the market. Out of the following what could be the reason?

- a)Strategy formulation
c)**strategy implementation phase**
- b)Strategy model
d)Strategy decision

296. As a strategist, what is your understanding of how strategies are put into action?

- a) Strategies are statements of Intent realized through Implementation**

- b) Strategies are statements of Intent that are automatically activated
- c) strategies, by themselves, lead into action
- d) By strategy formulation and not through implementation

297. The employees of XYZ Ltd have been facing problems regarding the difference between the understanding of strategy formulation and strategy implementation. In order to address this problem, you, the president operations, made four groups and asked each group to write in points their understanding of the same. The following points were compiled from their knowing of strategy formulation and implementaion.

- 1) Strategy formulation focuses on efficiency while strategy implementation focuses on effectiveness.

- 2) Strategy formulation requires motivation and leadership skills while strategic implementation require conceptual intuitive and analytical skills.

- 3) Strategy formulation is an intellectual process while strategy implementation is primarily an operational process.

- 4) Strategy formulation requires coordination between executives at middle and lower level while strategy implementation requires coordination among the executives at the top levels. out of the following views, what all needs to be corrected?

- a) 1, 3, and 4 b) 1 and 2 and 3 **c) 1, 2, and 4** d) 1, 2, 3 and 4

298. You being the core strategist of your company, entrusted with bring about strategic change in your company, how will you initiate "unfreezing of the situation" ?

- a) Promoting new ideas throughout the organization**

- b) Promoting compliance throughout the organization
c) Promoting change in process throughout the organization
d) None of these

299. You are the head of operations of a company. When you focus on total or aggregate management functions in the sense of embracing the integrated activities of a complete department et al, you are practicing :

- a) strategic control **b) Management control**
c) Administrative control d) Operations control

300. Which of the following would be chosen by the core strategist to implement operational control:-

- a) Premise control
b) Special alert control
c) Implementation control
d) Budgetary control

301. In which of the following circumstances would you initiate a strategic audit in your company?

- I. When top management feels the need.
- II. When the goals and objectives of the strategy are not being accomplished.
- III. When a major change takes place in the external environment of the organization.
- IV. When the performance indicators reflect that a strategy is not working properly or is

- not producing the desired outcome.
a) I, II, IV b) II, III, IV c) I, II, III **d) All of the above**
302. When it comes to identifying problem areas and correct the strategic approaches that have not been effective so far, what should a strategic manager choose to do out of the following:
a) BPR b) Benchmarking c) strategic change **d) Strategic audit**
303. With reference to Richard Rumelt's criteria for strategic Audit, what out of the following is the first limitation against which strategy is audited ?
a) Financial resource b) Human resource
c) Physical resource d) All of the above
304. Compliance, Identification and Internazation are the thre processes involved in :
a) Refreezing b) Defreezing
c) Changing behavior patterns d) Breaking down old attitudes
305. As the head of an MNC, you have been asked to bring in radical changes in your organisation through BPR. Which of these is the thrust area you would focus on reducing:
a) Total cycle time b) Total order time
c) Total inventory time d) None of these
306. Business process Reengineering involves:
a) Partial modification b) Replacing engineers
c) Massive improvement d) None of these
307. Strategy evaluation is more difficult today due to the following trends except:
a) A dramatic increeze in the environment's complexity.
b) The increasing difficulty of predicting the future with accuracy.
c) The increasing number of variables in the environment.
d) Firms have unlimited resources.
308. With reference to benchmarking select the correct statement out of the following:
a) The focus of benchmarking is to study existing processes and eliminate the ones that are redundant.
b) Traditional controlling has been rephrased as benchmarking.
c) Benchmarking helps in setting goals and measuring productivuity based on best industry practices.
d) Benchmarking solves all business problems.
309. BPR is an unusual improvement in operating effectiveness through the redesigning of _____ business process and supporting business systems.
a) usual b) common **c) critical** d) None of these
310. The purpose of strategy evaluation is to :
a) Increase the budget annually
b) alert management to problems or potential problems
c) make budget changes · evaluate employees' performance
d) None of these
311. Which one is not the basic activity of strategy Audit?
a) Examining the underlying bases of a firms strategy
b) setting the goals and objectives of the firm
c) Comparing expective results with actual results
d) taking corrective actions to ensure that performance conforms to plans.
312. Which one is not a type of strategic control?
a) Operational control b) Strategic surveillance
c) Special alert control d) Premise control
313. The responsibility of efficiency and effectiveness lies with:
a) Middle management and operational management

- b) Top management and operational management
c) Operational management and top management
 d) Operational management and middle management
314. Which of the following is not true for strategy formulation and implementation matrix ?
 a) Company in square A would focus on implementing the strategy successfully.
 b) Company in Square B is the idle situation
 c) Company in Square D would focus on readjusting the implementation.
d) Company in square D would focus on redesigning their strategy.
315. Which of the following is not one of the issues in strategy implementation ?
 a) Resource allocation
 b) Project implementation
 c) Structural implementation
d) Market implementation
316. When there is impact of strategy implementation on strategy formulation it can be referred as ?
a) Backward linkage
 b) Forward linkage
 c) Vertical linkages
 d) Horizontal linkages

