

M COM DEGREE (CSS) EXAMINATION (2021 ADMISSION ONWARDS)

Second Semester – Faculty of Commerce

Elective - Finance

CM010205 STRATEGIC MANAGEMENT

MULTIPLE CHOICE QUESTIONS

1. Which of the following is action-oriented?
 - a. Policy
 - b. Objective
 - c. **Strategy**

2. SBU refers to ____.
 - a. Strategy & Business Units
 - b. Standby Business Units
 - c. **Strategic Business Units**

3. Falling sales is an example for ____ indicator.
 - a. Deteriorating finances
 - b. **Deteriorating performance**
 - c. Bad Investment

4. Active strategy is also called as ____ strategy.
 - a. Passive
 - b. Defensive
 - c. **Offensive**

5. ____ are regarded as short-term objectives.
 - a. Strategies
 - b. **Goals**
 - c. Mission statements

6. Converting non-users to users is a strategy used in ____.
 - a. **Market penetration**
 - b. Integrative Growth
 - c. Product development

7. Dropping a product line represents ____ strategy.
 - a. **Retrenchment**
 - b. Growth
 - c. Defensive

8. KFS means ____.
 - a. **Key Factors for Successb**
 - b. Keys to Flexible Strategies
 - c. Key Five Strategies

9. Synergy effect is when ____.
 - a. $2 + 2 = 4$
 - b. $2 + 2 = 6$
 - c. **$2 + 2 = 5$**

10. When a firm's basic strategy is reconsidered on the occurrence of a sudden, unexpected event, then the type of control needed is ____.
- Operational**
 - Special alert
 - Strategic
11. Threat of substitutes is considered as ____.
- Competitive force**
 - State of growth
 - Rivalry
12. In the absence of proper plans or factual information, decisions taken by entrepreneurs will be mostly based on ____.
- Contingency strategy
 - Ad hoc method
 - Neutral strategy**
13. Identify the strategy that involves backward and forward integration.
- Diversification growth
 - Intensive growth
 - Integrative growth**
14. The fundamental purpose of an organization's mission statement is to
- create a good human relations climate in the organization
 - define the organization's purpose in society**
 - define the operational structure of the organization
15. _____ is the foundation of blue ocean strategy.
- Innovation
 - Value creation
 - Value innovation**
16. The immediate external environment includes:
- Divisions
 - S. B. U. s
 - Competitors**
17. Annual objectives
- Are not critical to success
 - Serve as guidelines for action, directing and channeling efforts and activities of organization members**
 - Are not important for employee motivation and identification
18. **Which of these basic questions should a vision statement answer?**
- What is our business?
 - Why do we exist?
 - What do we want to become?**
19. FEMA was passed in the year
- 1999**
 - 1989
 - 1997

20. _____ refers to the process of conducting research on a company and its operating environment to formulate a strategy.
- Strategic management
 - Strategic analysis**
 - Sensitive analysis
21. Strategic analysis involves:
- Identifying and evaluating data relevant to the company's strategy.
 - Defining the internal and external environments to be analyzed.
 - Both A and B**
22. ADL matrix has been propounded by:
- Arthur D. Lowey
 - Arthur D. Little**
 - Arthur D. Levin
23. _____ is the process we use to gain understanding and insight into our present situation.
- Situational analysis**
 - Sensitive analysis
 - Simulation analysis
24. Arrange the Strategic Analysis Process in proper sequence:
- Formulate plans.
 - Recommend and implement the most viable strategy.
 - Determine the effectiveness of existing strategies.
 - Perform an environmental analysis of current strategies.
- Select the correct answer from the options given below.
- iv,ii,i,iii
 - iv,iii,i,ii**
 - ii,iii,i,iv
25. Which of the following is NOT 'internal environment considerations'?
- Operational inefficiencies
 - Changes in consumer taste**
 - Employee morale
26. Which of the following is NOT 'external environment considerations'?
- Political trends
 - Economic shifts
 - Changes in consumer taste**
27. Potential strategic alternatives include _____
- Changes in business process
 - Changes in supply chain management
 - All of the above**
28. 'Build,' 'Hold,' 'Harvest,' and 'Divest' are the strategies pursued in:
- Boston Consulting Group Growth Share Matrix**
 - Value chain Analysis
 - Managerial Grid Matrix

29. A situation analysis should be conducted -.....
- After developing a strategy.
 - At the beginning of any program or project**
 - Before company is incorporated
30. Which of the following is NOT element of Situation Analysis?
- Product Situation
 - Competitive Situation
 - Profit Situation**
31. The low growth, low share businesses in BCG matrix are:
- Cows
 - Dogs**
 - Question Marks
32. Identification of opportunities and avoiding or mitigating losses is called -.....
- Risk management**
 - Stress management
 - Change management
33. Environment scanning applies to –
- External scanning processes
 - Motivational scanning processes
 - Internal scanning processes
 - Lead scanning processes
- Select the correct answer from the options given below -.....
- Except 4 all other
 - Both 1 and 3**
 - 1 only
34. SWOT analysis Originated by –
- Heinz Weirich
 - Albert S Humphrey**
 - James E. Kelley
35. Which of the following SWOT elements are internal factors for a business?
- Strengths and Weaknesses**
 - Opportunities and Threats
 - Strengths and Opportunities
36.generally relate to external factors.
- Opportunities and threats**
 - Weaknesses and Threats
 - Strengths and Opportunities
37. Which section of the SWOT Matrix involves matching internal strengths with external opportunities?
- The WT cell
 - The SW cell
 - The SO cell**

38. Corporate level strategy is concerned with the following –
- How do we want to compete?
 - Where do we want to compete?**
 - How to support the strategy implementation?
39. The BCG growth-share matrix -.....
- is a project technique used to manage uncertain activities.
 - is an analytical tool that helps build over your strengths and make the best use of available opportunities while also minimizing the threats.
 - is the simplest way to portray a corporation's portfolio of investments.**
40. 'Customer Analysis' and 'Market Analysis' are the part of –
- Internal analysis
 - Strategy identification and selection
 - External Analysis**
41. The BCG Growth-Share Matrix consists of the following four major elements?
- Sales, Cash cows, Question marks, Dogs
 - Stars, Cash cows, Question marks, Dogs**
 - Stars, Cash cows, Question marks, Doors
42. The Critical Path Method (CPM) is a project modelling technique developed in the late 1950s by -.....
- Morgan R. Walker & James E. Kelley**
 - C. K. Prahalad and Gary Hamel
 - Gary Hamel and Peter Drucker
43. Which of the following is true of a transnational Corporation?
- They have subsidiaries but do not have centralized management system
 - They have no subsidiaries but have centralized management system
 - They do not have subsidiaries and do not have centralized management System**
44. Entering into a 'contract' by MNCs is an example of:
- Partial Ownership Alliance
 - Joint Venture Alliance
 - Non-Equity Alliance**
45. PERT is technique -.....
- of planning and control of time.**
 - to control cost and time
 - used in profit analysis
46. A leading producer of tooth paste, advises its customers to brush teeth twice a day to keep breath fresh. In the context of Ansoff's Product-Market Growth Matrix, identify, the type of growth strategies followed for the given case.
- Market Development
 - Diversification**
 - Market Penetration

47. In consulting engagement with General Electric Company in the 1970's McKinsey & Company developed a cell portfolio matrix as a tool for screening GE's large portfolio of strategic business units (SBU).
- Ten
 - Nine**
 - Twelve
48. Four generic strategies as discussed by Glueck and Jauch are –
- Stability Strategies, Expansion Strategies, Retrenchment Strategy & Combination Strategies
 - Growth Strategies, Stable Strategies, Retrenchment Strategy & Combination Strategies
 - Stability Strategies, Expansion Strategies, Decline Strategy & Divest Strategies**
49. If the organization chooses to transform itself into a leaner structure and focuses on ways and means to reverse the process of decline, it adopts a –
- Turnaround Strategy**
 - Divestment Strategy
 - Differentiation Strategy
50. Which of the following is benefit of McKinsey's 7-S Framework Model?
- It is a diagnostic tool for under-standing the organizations which are non-effective.**
 - It becomes proposition to manage as a result of more divisions and departments.
 - It is useful in those organizations where activities are geographically spread such as transport, insurance, banking, etc.
51. The acquisition of a business that operates in the same industry is known as _____
- Internal Integration
 - Horizontal Integration**
 - Vertical Integration
52. The foundation of blue ocean strategy is _____
- Evaluation
 - Creativity
 - Value Innovation**
53. "V" in VUCA stands for _____
- Viability
 - Volatility**
 - Vicinity
54. Strategic implementation is -.....
- Concerned with translating a strategic decision into action.**
 - Crafting a combination of strategies and picking out the best one.
 - Primarily an intellectual process.
55. The critical 7-S model was developed and created by reputed consulting firm:
- McKinsey**
 - Bain & Co.
 - A. T. Kearney

56. focuses on whether the strategy is being implemented as planned and the results produced are those intended.
- Strategic analysis
 - Strategic control**
 - Strategy formulation
57. Which of the following is NOT one 'S' as per McKinsey 7-S framework?
- Structure
 - Shared values
 - Shared plan**
58. means crafting a combination of strategies and picking out the best one to achieve the organizational goals and objectives and thereby reaching the vision of the organization.
- Strategy implementation
 - Strategic analysis
 - Strategy formulation**
59. The way the organization is structured and who reports to whom
- Strategy
 - Structure**
 - System
60. Strategy implementation focuses on -.....
- Efficiency**
 - Co-ordination
 - Crafting of strategies
61. The plan devised to maintain and build competitive advantage over the competition - _____
- Strategy**
 - Style
 - Skills
62. An important activity in is taking corrective action.
- Strategy evaluation**
 - Strategy implementation
 - Strategy formulation
63. The functional structure would be found in which type of business?
- A business producing a single product or limited range of products**
 - A business producing a diverse range of products
 - A business owning several subsidiary companies
64. Strategic leadership facilitates strategy execution through -.....
- Exploitation of core competencies**
 - Elimination of non-core competencies
 - Non cohesive functioning
65. What are the major procedural requirements involved in the strategy implementation process?
- Licensing Requirements & FEMA Requirements
 - Company law Requirements
 - All of the above**

66. What are guides to decision making?
- laws
 - rules
 - policies**
67. The marketing response which comes into action after the change happens is classified as
- geographical anticipation
 - responsive anticipation
 - reactive anticipation**
68. The defense which supports possible counter attack of other marketer's is classified as
- counter defense
 - offensive defense
 - flank defense**
69. The one who offers market leader's product and improves it, is classified as
- imitator
 - adapter**
 - counterfeiter
70. The emulation of market leader's product packaging with little variations is classified as
- cloner**
 - imitator
 - adapter
71. Which of these deal with the impact of strategy implementation on strategy formulation?
- Forward Linkages
 - Backward Linkages**
 - Both (a) & (b)
72. Which process simply makes the individuals or organizations aware of the necessity for change & prepares them for such a change?
- Unfreezing**
 - Change in new situation
 - Refreezing
73. _____ is a point of reference against which things maybe compared and by which something can be measured and judged.
- BPR
 - Benchmarking**
 - Strategic Leadership
74. _____ is a process of breaking down old attitudes & behaviours customs & traditions throughout organization.
- Unfreezing**
 - Change in new situation
 - Refreezing
75. A company will be successful only when the strategy ____ is sound & _____ is excellent.
- Implementation, Formulation
 - Formulation, Implementation**
 - Both (a) & (b)

76. Which helps the managers to determine whether the overall strategy is progressing as desired or whether there is need for readjustment?
- Monitoring Strategic Thrusts**
 - Premise Control
 - Special Alert Control
77. Business policy tends to emphasize on which aspect of strategic management is selling?
- system analytical
 - portfolio analytical
 - Rational analytical**
78. Developing a vision and mission identifying an organization's external opportunities and threats and determining internal strengths and weaknesses are all _____ activities.
- strategy formulation**
 - strategy implementation
 - long range planning
79. Strategy is not a ____ for sound alert and responsible management.
- reason
 - necessity
 - substitute**
80. Another name for GE 9 cell model is
- Three colour matrix
 - Stop light matrix**
 - Strategic portfolio matrix
81. What does yellow symbolize in BCG matrix?
- Invest and Expand
 - Harvest and Divest
 - Select and Earn**
82. Typically, how many strategic decision levels are in the corporate decision-making hierarchy?
- 3**
 - 4
 - more than 5
83. Which is a planned strategy?
- Proactive**
 - Reactive
 - Adaptive
84. The terminology that includes defining an overall mission and official goals
- Objectives
 - Goals
 - Strategy**
85. Activities required to collect for storage of the outputs are involved in
- Outbound logistics**
 - Distribution systems
 - Control process

86. Which of these is not a valid reason in support of focused strategies?
- greater control**
 - competence consolidation
 - cost reduction
87. Which of the following requires a firm to establish annual objectives, devise, policies, motivates employees and allocate resources for the execution of strategies?
- strategy formulation
 - strategy evaluation
 - strategy implementation**
88. Which of the following factors does not increase the bargaining power of a supplier?
- substitutability
 - high switching costs
 - a buyer is important to the supplier**
89. Divestment is what kind of strategy?
- an asset reduction strategy**
 - a weakness reduction strategy
 - a product reduction strategy
90. Balanced score card can act as a powerful
- development framework
 - operations framework
 - organising framework**
91. Personal scorecard consists of information of ____ levels.
- 2
 - 3**
 - 4
92. Balanced score card measures with benchmark for performance in
- financial areas
 - non – financial areas**
 - development areas
93. Organization can be classified as _____ on the basis of interest they have.
- Market Oriented & Prize Oriented
 - General & Specific
 - Commercial & Non-Commercial**
94. Which is not the limitation of strategic management ?
- Time Consuming Process
 - Understandable complex environment**
 - Costly Process
95. The origins of Strategic Management can be retraced to _____
- 1930
 - 1911**
 - 1879

96. Removing the barriers for group countries is known as _____
- a. Horizontal Integration
 - b. Vertical Integration
 - d. Regional Integration**
97. Markowitz's main contribution to portfolio theory is Re-Engineering begins with a fundamental _
- a. Redesigning
 - b. Process
 - c. Re-thinking**
98. -----means starting all over starting from scratch .
- a. Benchmarking
 - b. Strategic Change
 - c. Business Process Re-Engineering**
99. The first option that should be considered for firms in Quadrant II of the Grand Strategy Matrix is the _____ strategy.
- a. integration
 - b. intensive**
 - c. defensive
100. Strategic plans are
- a. Forecasts
 - b. Long term**
 - c. Short term