

301– Strategic Management

1. What are the three levels of strategy?

- A) Corporate, Functional, Operational
- B) Tactical, Operational, Business
- C) Corporate, Business, Functional
- D) Visionary, Tactical, Strategic

Answer: C) Corporate, Business, Functional

2. Which of the following is a characteristic of strategic management?

- A) Short-term focus
- B) Reactive decision-making
- C) Long-term orientation
- D) Isolation from stakeholders

Answer: C) Long-term orientation

3. Distinguish between strategy and tactics.

- A) Strategy involves long-term planning, while tactics involve short-term actions.
- B) Strategy is concerned with the overall direction, while tactics are specific actions.
- C) Strategy and tactics are interchangeable terms.
- D) Tactics are for corporate levels, and strategy is for functional levels.

Answer: B) Strategy is concerned with the overall direction, while tactics are specific actions.

4. What is the process of envisioning in strategic management?

- A) Setting short-term goals
- B) Defining tactics
- C) Crafting a vision and mission
- D) Implementing strategies

Answer: C) Crafting a vision and mission

5. What are Abell's three dimensions used for in business definition?

- A) Industry analysis
- B) Environmental appraisal
- C) Defining business scope
- D) Tactical planning

Answer: C) Defining business scope

6. Identify the key components of a strategic plan.

- A) Vision, Mission, and Goals
- B) SWOT Analysis, Tactics, and Objectives
- C) Stakeholder roles, Vision, and KPIs
- D) Corporate, Business, and Functional strategies

Answer: A) Vision, Mission, and Goals

7. What is the purpose of Critical Success Factors (CSF) in strategic management?

- A) Identifying key competitors
- B) Measuring strategic success
- C) Assessing industry trends
- D) Analyzing stakeholder roles

Answer: B) Measuring strategic success

8. What does Environmental Threat and Opportunity Profile (ETOP) focus on?

- A) Analyzing industry competition
- B) Preparing for environmental threats
- C) Identifying internal resources
- D) Assessing opportunities and risks in the external environment

Answer: D) Assessing opportunities and risks in the external environment

9. Which model is used for analyzing industry competition?

- A) SWOT Analysis
- B) PESTEL Analysis
- C) Porter's Five Forces
- D) BCG Matrix

Answer: C) Porter's Five Forces

10. What are Entry and Exit Barriers in the context of industry analysis?

- A) Factors that make it easy or difficult for new firms to enter the market
- B) Factors affecting employee turnover
- C) Entry and exit doors of a business
- D) Strategies for growth and decline

Answer: A) Factors that make it easy or difficult for new firms to enter the market

11. What is the focus of the Resource-Based View (RBV) of a firm?

- A) Analyzing external threats

- B) Assessing internal strengths and weaknesses
- C) Identifying industry competitors
- D) Measuring market share

Answer: B) Assessing internal strengths and weaknesses

12. What is Competitive Advantage in the context of strategic management?

- A) Achieving low employee turnover
- B) Outperforming rivals in profitability
- C) Adhering to industry standards
- D) Following market trends

Answer: B) Outperforming rivals in profitability

13. Which framework is used to assess whether a resource or capability is a source of competitive advantage?

- A) SWOT Analysis
- B) VRIO Framework
- C) Porter's Five Forces
- D) PESTEL Analysis

Answer: B) VRIO Framework

14. What is Core Competence in strategic management?

- A) A skill possessed by all employees
- B) A unique capability that provides a competitive advantage
- C) Standard industry practices
- D) Tactical decision-making

Answer: B) A unique capability that provides a competitive advantage

15. What is the primary focus of Benchmarking?

- A) Identifying industry competitors
- B) Comparing performance against industry standards
- C) Measuring market share
- D) Analyzing external threats

Answer: B) Comparing performance against industry standards

16. Which model is used for Value Chain Analysis?

- A) SWOT Analysis
- B) VRIO Framework
- C) PESTEL Analysis
- D) Porter's Model

Answer: D) Porter's Model

17. What are the primary activities in Porter's Value Chain Analysis?

- A) Support activities
- B) Tactical activities
- C) Primary activities
- D) Operational activities

Answer: C) Primary activities

18. What is the concept of Organizational Capability Profile in strategic management?

- A) Identifying industry competitors
- B) Assessing internal strengths and weaknesses
- C) Measuring market share

D) Evaluating organizational capabilities

Answer: D) Evaluating organizational capabilities

19. What does the Business Portfolio Analysis use to assess business units?

A) SWOT Analysis

B) BCG Matrix

C) VRIO Framework

D) PESTEL Analysis

Answer: B) BCG Matrix

20. In BCG Matrix, what does a "Star" represent?

A) Low market growth, low market share

B) High market growth, low market share

C) High market growth, high market share

D) Low market growth, high market share

Answer: C) High market growth, high market share

21. What are the three generic competitive strategies?

A) Cost Leadership, Differentiation, Focus

B) Stability, Growth, Retrenchment

C) Entry, Exit, Diversification

D) Core Competence, Resource-Based View, Benchmarking

Answer: A) Cost Leadership, Differentiation, Focus

22. When should a company use a Differentiation strategy?

- A) When aiming for low-cost production
- B) When there is intense price competition
- C) When customers seek unique features or attributes
- D) During a period of retrenchment

Answer: C) When customers seek unique features or attributes

23. Which strategy focuses on serving a specific market segment exceptionally well?

- A) Cost Leadership
- B) Differentiation
- C) Focus
- D) Growth

Answer: C) Focus

24. What are Grand Strategies in strategic management?

- A) Short-term plans
- B) Long-term plans
- C) Overall company strategies that address the direction for the entire organization
- D) Tactical actions

Answer: C) Overall company strategies that address the direction for the entire organization

25. Which Grand Strategy involves expanding activities into new product lines or markets?

- A) Stability
- B) Growth
- C) Retrenchment

D) Focus

Answer: B) Growth

26. What is Vertical Integration as a growth strategy?

A) Expanding into new markets

B) Expanding activities to other stages of the value chain

C) Reducing business activities

D) Focusing on a specific market segment

Answer: B) Expanding activities to other stages of the value chain

27. Which Grand Strategy involves combining with other companies through mergers or acquisitions?

A) Stability

B) Growth

C) Retrenchment

D) Focus

Answer: B) Growth

28. What is the purpose of Strategic Alliances in business?

A) Reducing market share

B) Collaborating with competitors

C) Sharing resources and capabilities

D) Implementing retrenchment

Answer: C) Sharing resources and capabilities

29. What does Retrenchment involve in Grand Strategies?

- A) Exiting from a market or reducing business activities
- B) Expanding into new markets
- C) Collaborating with competitors
- D) Focusing on a specific market segment

Answer: A) Exiting from a market or reducing business activities

30. What is the purpose of Turnaround in strategic management?

- A) Expanding activities
- B) Achieving short-term goals
- C) Recovering from financial distress
- D) Collaborating with competitors

Answer: C) Recovering from financial distress

31. Identify a barrier to the implementation of strategy.

- A) Effective communication
- B) Flexibility in decision-making
- C) Resistance to change
- D) Clear vision and mission

Answer: C) Resistance to change

32. What are Mintzberg's 5 Ps in the context of strategy?

- A) Planning, Performance, Profitability, Progress, People
- B) Purpose, Plan, Process, Performance, Power
- C) People, Processes, Products, Performance, Profits
- D) Planning, People, Processes, Power, Performance

Answer: D) Planning, People, Processes, Power, Performance

33. Which framework is used for organizational analysis in strategy implementation?

- A) Porter's Five Forces
- B) BCG Matrix
- C) Mintzberg's 5 Ps
- D) McKinsey's 7s Framework

Answer: D) McKinsey's 7s Framework

34. What type of organizational structure is based on functions such as marketing, finance, and operations?

- A) Divisional structure
- B) Network structure
- C) Functional structure
- D) Matrix structure

Answer: C) Functional structure

35. Which organizational structure is characterized by a combination of functional and divisional structures?

- A) Divisional structure
- B) Matrix structure
- C) Functional structure
- D) Network structure

Answer: B) Matrix structure

36. What is Business Continuity Planning focused on?

- A) Short-term tactical decisions
- B) Long-term strategic decisions
- C) Ensuring business operations during disruptions
- D) Restructuring the organization

Answer: C) Ensuring business operations during disruptions

37. In which environment is Cellular/Modular organization design suitable?

- A) Stable environment
- B) Turbulent environment
- C) Competitive environment
- D) Retrenchment environment

Answer: B) Turbulent environment

38. What is Reengineering in the context of strategy implementation?

- A) Continuous improvement of existing processes
- B) Radical redesign of business processes
- C) Incremental adjustments to strategies
- D) Collaborative decision-making

Answer: B) Radical redesign of business processes

39. What is the Balanced Scorecard used for in strategy evaluation?

- A) Financial reporting only
- B) Evaluating the overall performance of an organization
- C) Tactical decision-making
- D) Measuring stakeholder satisfaction

Answer: B) Evaluating the overall performance of an organization

40. What are the symptoms of malfunctioning of strategy, as per Strategy Evaluation?

- A) Increased profits
- B) Improved stakeholder relationships
- C) Lack of alignment with organizational goals
- D) Effective communication

Answer: C) Lack of alignment with organizational goals

41. Distinguish between Blue Ocean and Red Ocean strategies.

- A) Blue Ocean focuses on competition; Red Ocean focuses on collaboration.
- B) Blue Ocean is about creating new markets; Red Ocean is about competing in existing markets.
- C) Blue Ocean emphasizes differentiation; Red Ocean emphasizes cost leadership.
- D) Blue Ocean is for small businesses; Red Ocean is for large corporations.

Answer: B) Blue Ocean is about creating new markets; Red Ocean is about competing in existing markets.

42. What is the purpose of the Four Action Framework in Blue Ocean Strategy?

- A) Identifying areas of competition
- B) Reducing costs
- C) Creating new market space
- D) Analyzing stakeholder roles

Answer: C) Creating new market space

43. What is a Strategy Canvas in Blue Ocean Strategy?

- A) A visual representation of a company's financial performance
- B) A tool for assessing industry competition
- C) A framework for strategic alliances
- D) A graphical representation of a company's strategy profile

Answer: D) A graphical representation of a company's strategy profile

44. Define Business Models in strategic management.

- A) Plans for achieving short-term goals
- B) Strategic alliances with competitors
- C) Descriptions of how a company creates, delivers, and captures value
- D) Approaches for retrenchment

Answer: C) Descriptions of how a company creates, delivers, and captures value

45. What are E-Commerce Business Models focused on in the Internet Economy?

- A) Cost leadership
- B) Collaborative partnerships
- C) Virtual value chain
- D) Creating new markets

Answer: C) Virtual value chain

46. What does the triple bottom line represent in sustainability?

- A) Three levels of strategy
- B) People, Profit, Product
- C) Profit, Performance, Process

D) People, Planet, Profits

Answer: D) People, Planet, Profits

47. Integrating social and environmental sustainability issues in strategic management involves:

A) Ignoring sustainability for short-term gains

B) Minimizing environmental regulations

C) Incorporating social and environmental concerns into decision-making

D) Focusing solely on financial performance

Answer: C) Incorporating social and environmental concerns into decision-making

48. What are the threats to sustainability in the context of strategic management?

A) Economic growth

B) Innovation

C) Technological advancements

D) Climate change, resource depletion, and social inequality

Answer: D) Climate change, resource depletion, and social inequality

49. What is the meaning of the Blue Ocean Strategy in sustainability terms?

A) Focusing on environmental sustainability only

B) Creating new markets by addressing social and environmental issues

C) Expanding into new geographical areas

D) Reducing costs through innovation

Answer: B) Creating new markets by addressing social and environmental issues

50. What are the components of the Value Chain in sustainability?

A) People, Products, Profits

B) Primary and Secondary activities

C) Cost Leadership, Differentiation, Focus

D) Environmental Threats and Opportunities

Answer: B) Primary and Secondary activities