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NOTE'S

Inter – EIS & SM

General MCQ's

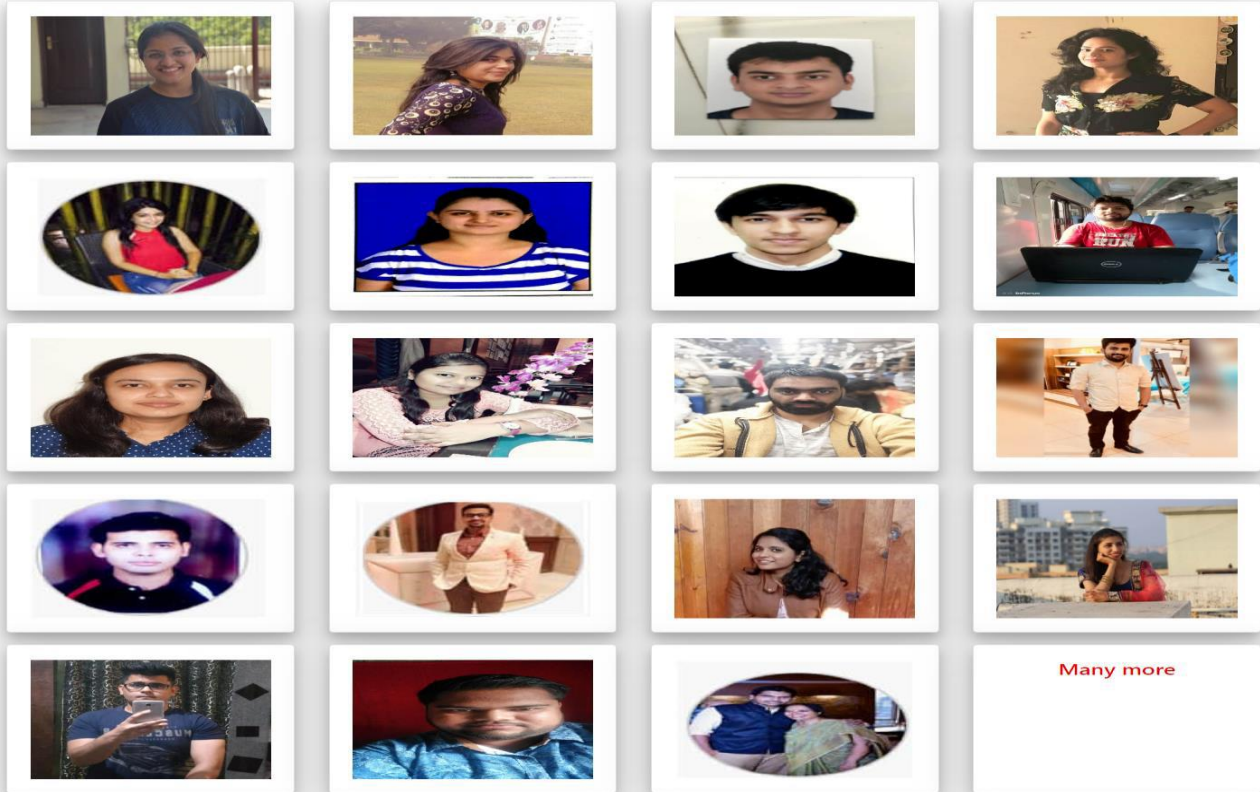**CA Final Inter IPCC Foundation**
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EIS

MCQS PAPER

CHAPTER: 1 Automated Business Process

Q-1: An Enterprise Information System (EIS) provides a technology platform that enables organizations to integrate and coordinate their business processes on a robust foundation. Identify the statement that does not fall under the list of objectives of EIS.

a) Reduce service cycles

b) Identify manual processes

c) Reduce costs

d) Increase operational efficiency

Q-2: A manufacturing company is facing the issues of not being able to provide timely supply of its products to the customers. Mr. Anil, an IS Auditor of this company identified that the delay is due to the manual processing of certain processes involved in the company. He suggested that the company should adopt _____ from following options to overcome the problem.

a) Core banking System

b) Strategic Level Systems

c) Business Process Automation

d) Expert Systems

Q-3: The objective of Internal Control is to enable an organization manage its challenges or disruptions seamlessly. Identify which of the following is not an objective of Internal Control.

a) Compliance with applicable laws and regulations

b) Meeting sales targets

c) Reliability of reporting

d) Effectiveness and efficiency of operations

Q-4: Mr Shravan, HR Manager of a Multinational Company (MNC) asked his subordinate to prepare the files of processes involved in Human Resource Management. Which of the following does not form part of HR Management?

a) Training and Development

b) Career Development

c) Leadership Management

d) Invoicing

Q-5: Mr. Ajay as an internal auditor of steel company observed that the vendor supplying the material to manufacture steel has begun to supply the damaged material. He reported this issue to the company's top management. Which of the following risk management strategy would be followed by top management of company, if they decided to seek for more capable supplier and leave the current supplier?

a) Turn Back

b) Transfer the risk

c) Terminate/Eliminate the Risk

d) Treat /Mitigate the risk

Q-6: In the bi-annual meeting of DEF Hotel Group, the senior officials are discussing risks that could prevent hotel's effective working in relation to customer satisfaction and change integration. Which of the following business risk is being discussed in the meeting?

a) Financial risk

b) Data risk

c) Operational risk

d) Infrastructure risk

Q-7: Which of the following sets tone of an organization, influencing the control consciousness of its people?

a) Control environment

b) Risk assessment

c) Monitoring of control

d) Segregation of duties

Q-8: Which of these is a systematic approach to improving the set of activities that will accomplish a specific organization goal?

a) Enterprise portfolio management

b) Business process Management

c) Enterprise Risk Management

d) Enterprise Information System

Q-9: ABC Corporative bank strictly follows the policy of Sensitive Personal Information. Choose the attribute that is not defined as Sensitive Personal Information.

a) Home address

b) Password

c) Financial information

d) Biometric information

Q-10: A&B Financial Ltd. company provides loans against gold. The company has created policy to ensure each loan given has been properly documented, gold accepted as security has been properly valued and same is kept in secured vaults. _____ would ensure management's directives to mitigate risks to the achievement of objectives are carried out. Fill in the blank with appropriate from the following.

a) Control Activities

b) Control Environment

c) Risk Assessment

d) Information and Communication

Q-11: Define the correct sequence of the process 'order to cash'.

i)   Receivables

ii)   Sales & Marketing

iii)   Order Fulfilment

iv)   Manufacturing

    a) iv, i, iii, ii

    b) i, iv, ii, iii

    c) ii, iii, iv, I

    d) iii, ii, i, iv

Q-12: Which of the following document is checked by accounts payable department before making payment under account payable department?

a) Purchase order

b) Goods Receipt Number

c) Vendor Invoice

d) All of the above

Q-13: Purchase, goods receipt, Invoice processing & payment are four components of _____.

a) Purchase to pay

b) Budgeting

c) Order to cash

d) Inventory Cycle

Q-14: Which of the following is considered by management while evaluating strategic alternatives?

a) Risk appetite

b) Setting objective

c) Developing plan

d) None of these

Q-15: Which of the following is the process of obtaining & managing raw material needed for manufacturing a product or providing a service?

a) Order to cash

b) Purchase to pay

c) Budgeting

d) Staffing

Q-16: Which of the following sets tone of an organization, influencing the control consciousness of its people?

a) Control environment

b) Risk assessment

c) Monitoring of control

d) Segregation of duties

Q-17: Which of the following is the type of risk that would prevent an organization from accomplishing its objectives?

a) Strategic

b) Financial

c) Reputational

d) Regulatory

Q-18: Which process has input in the form of transactions and output in form of various types of financial reports?

a) General ledger

 b) Purchase to pay

c) Order to cash

d) Inventory cycle

Q-19: Which objective of Business Process Automation (BPA) is achieved using Passwords in Information Systems?

a) Confidentiality

b) Integrity

c) Timeliness

d) Availability

Q-20: Which is the risk that could prevent organization from operating in the most efficient & effective manner?

a) Operational

b) Financial

c) Reputational

d) Regulatory

Answer Key

1. B	2. C	3. B	4. D	5. C
6. C	7. A	8. B	9. A	10. A
11. C	12. D	13. A	14. A	15. B
16. A	17. A	18. A	19. A	20. A

CHAPTER: 2 Financial Accounting System

Q-1: To sustain in today's competitive world and make the business a success, organizations are implementing ERP system and getting many benefits from the same. From the following, which is not a benefit of ERP?

a) Information integration

b) Reduction of lead-time

c) Reduction in Cycle Time

d) Enhanced Quality Costs

Q-2: Sales and distribution module is one of an important module of ERP Package. Which of the following activity does not belong to Sales and Distribution Process?

a) Pre-sales Activities

b) Payment

c) Delivery of product to customer

d) Production Planning

Q-3: In Accounting System, various types of vouchers are required to maintain the transaction within organization. Which of the following transactions are not recorded in the voucher type "Contra" of the Accounting System?

a) Cash deposit in bank

b) Cash withdrawal in bank

c) Cash transfer from one location to another

d) Recording of all types of trading sales by any mode

Q-4: Mr. R is accountant of an engineering college, works on an accounting system of the college. He is responsible to record all types of payments - salaries and incentives, made to teaching and non-teaching staff through any mode. Identify the type of voucher of accounting module used for this purpose.

a) Receipt

b) Contra

c) Journal

d) Payment

Q-5: Organizations implementing ERP should be abreast of latest technological development. The control where care must be taken while selecting the vendor and upgrade contracts should be signed to minimize the risks, it belongs to aspect of technological risks.

a) Technological Obsolescence

b) Application Portfolio Management

c) Enhancement and Upgrades

d) Software Functionality

Q-6: JKM Pvt. Ltd. is an apparel manufacturing company well equipped with ERP. MM group approached JKM Pvt. Ltd. with a requisition of 1000 pieces of female black formal suits. Mr. Y, a senior manager of JKM Pvt. Ltd. wants to evaluate the current stock position and purchase order pending position of his company before accepting the requisition. Which of the following module of ERP will help Mr. Y in this?

a) Sales and Distribution Module

b) Material Management Module

c) Production Planning Module

d) Supply Chain Management Module

Q-7: All of the following represents the attributes of information provided by Management Information System except one. Identify the odd one which does not belong to this category.

a) Relevant

b) Timely

c) Accurate

d) Scalable

Q-8: Which sentence is true about installed software application?

a) It is installed on the hard disc of the computer of the user

b) It is installed on the web server

c) It is installed on cloud

d) It is installed on a website

Q-9: Sequence of events that uses input to produce output is known as _____.

a) Production

b) Process

c) Transaction

d) Grouping

Q-10: Which of the following is Risk related to People Issues in implementation of ERP?

a) Change Management

b) Speed of Operation

c) Lifelong commitment

d) All of the above

Q-11: Which of the following voucher does not affect Trial Balance?

    a) Memorandum

    b) Receipt

    c) Contra

    d) Payment

Q-12: Which of the following is not a feature of Financial & Accounting Module?

    a) Creation of organizational structure

    b) General Ledger Accounting

    c) Set Quality Targets to be met

    d) Tax Configuration

Q-13: Government uses XBRL for:

    a) Simplifying process of business reporting to Government

    b) Manage government issue relating to taxation

    c) Maintain working environment in Government organization

    d) Analysing decision regarding Government expenditure

Q-14: Accounting master data includes _____.

    a) Stock Item

    b) Calculation of salary

    c) Names of ledger

d) Statute/law

Q-15: Which are two limitations of non- integrated system?

a) Communication gaps & slow network

b) Communication gaps & Mismatched data

c) Insufficient bandwidth & mismatched data

d) Less accuracy & slow processing

Q-16: Which of the following is a feature of controlling module?

a) Creation of Organizational structure

b) Pre- sales Activities

c) Set qualities targets to be met

d) Activity based accounting

Q-17: Compliance & Regulatory requirements applicable to all irrespective of anything is called _____.

a) General Regulatory Compliance

b) Particular Regulatory Compliance

c) Specific Regulatory Compliance

d) Legal Regulatory Compliance

Q-18: Which of the following is not the feature of voucher number?

a) Unique

b) Chronological

c) Serially numbered

d) Georgia font

Q-19: Which of the following is not the criteria of MIS report?

a) Relevant

b) Structured

c) Measurable

d) Accurate

Q-20: Bills of Materials (BoM) is an important feature for any ERP software. The sub-system where a BoM is located is _____.

a) Manufacturing

b) Financials

c) Projects

d) Human Resource Management

Answer Key

1. D	2. D	3. D	4. D	5. C
6. B	7. D	8. A	9. B	10.A
11.A	12.C	13.A	14.C	15.B
16.D	17.A	18.D	19.C	20.A

CHAPTER. 3 Information System & Its Components

Q-1: Communication controls responsible to handle exposures caused during the internetwork communication are categorized further based on the specific functions performed. Which of the following communication control incorporates features that mitigate the possible effects of exposure?

- **(a)** Line Error Control
- **(b)** Flow Control
- **(c)** Channel Access Control
- **(d)** Physical Component Control

Q-2: Corrective controls are designed to reduce the impact or correct anerror once it has been detected. Which of the following is not an example of Corrective Control?

- **(a)** Backup Procedure
- **(b)** Rerun Procedure
- **(c)** Contingency Planning
- **(d)** Hash Totals

Q-3: The data entry operator of GC College is responsible to enter the amount of fees paid by the students. Accidentally, while making the entry, the fee amount of Ms. X of the amount `9854 was entered as `8954 in the software, leading to the reverse of two digits in the amount. Under Data Coding Control, which of the following error is made by data entry operator in this case?

- **(a)** Transposition Error

(b) Substitution Error

(c) Addition Error

(d) Truncation Error

Q-4: Big Data has captured the attention of Businesses for its processing power to analyse the data for many benefits that it provides. Below are mentioned some of its benefits, except one. Identify it.

   a) Access to social data from search Engine.

   b) Early Identification of risk to the services.

   c) Big data can be used to read and evaluate consumers' response.

   d) Increases computational power of application software.

Q-5: Mr. Ashu works in a Network Service provider Company where his job responsibility includes performing routine tasks in the network such as making minor configuration changes and monitoring event logs. Which of the following role he performs in the company?

   (a) Network Administrator

   (b) Network Architect

   (c) Network Engineer

   (d) System Analyst

Q-6: Which of the following refers to process of deciding on how to communicate the data from source to destination in a network?

   a) Routing

   b) Bandwidth

   c) Resilience

   d) Contention

Q-7: _____ is the conversion of data into a secret code for storage in databases and transmission over networks.

   (a) Cipher Text

   (b) Encryption

   (c) Decryption

   (d) Logging

Q-8: Which function of the processing device performs operation as addition, subtraction, multiplication, & logical comparison of numbers?

   a) Control unit

   b) Arithmetic & logical unit

   c) Registers

   d) Local area network

Q-9: Which database model allows the definition of the data & their structures, storage and retrieval operations & integrity constrains that can be organized in a table structure?

   a) Hierarchical database model

   b) Network database model

   c) Relational database model

   d) Object oriented database model

Q-10: Which of the following verifies fields appearing in different files to see that result tally?

   a) Limit checks

   b) Parity checks

   c) Picture checks

d) Cross checks

Q-11: Which approach starts by creating small data warehouse, called data marts, to solve specific business problems?

    a) Bottom up

    b) Top down

    c) Big data

    d) None of the above

Q-12: Which of the following maintains the chronology of event that occur when a user attempt to   gain access to and employ system resource?

    a) Boundary control

    b) Input control

    c) Communication control

    d) Processing control

Q-13: Well-known example of Trojan due to which users cannot save their half-finished work.

    a) Bomb

    b) Worm

    c) Trap doors

    d) Christmas cards

Q-14: Which are trails that can be designed to record activity at the system, application, & user level?

    a) Audit trails

    b) Audit hooks

c) Snapshots

d) Polling

Q-15: In which locks a special metal key is used to gain entry & to avoid illegal entry, the keys should not be duplicated?

a) Cipher locks

b) Bolting door locks

c) Electronic door locks

d) Plastic cards

Q-16: Which feature of operating system helps in operating resources to make optimum utilization of resources?

a) Memory management

b) Network capability

c) Task management

d) File management

Q-17: In which of the following door lock, a magnetic or embedded chip-based plastic card key or token may be entered a reader to gain access in these systems?

a) Cipher locks

b) Bolting door locks

c) Electronics door locks

d) Plastic cards

Q-18: Which is collection of computers & other hardware interconnected by communication channel that allows Sharing of resource & information?

a) Computer network

b) Computer hardware

c) Computer software

d) Computer database

Q-19: Auditing physical access requires the auditor to review the physical access risk and controls to form an opinion on the effectiveness of the physical access controls. This involves the following:

a) Risk Assessment

b) Controls Assessment

c) Review of Documents

d) All of the above

Q-20: A comprehensive DRP comprises of which part?

a) Emergency Plan

b) Backup Plan

c) Recovery Plan

d) Test Plan

Answer Key

1. D	2. D	3. A	4. D	5. A
6. A	7. B	8. B	9. C	10.D
11.A	12.A	13.D	14.A	15.B
16.C	17.C	18.A	19.D	20.A

CHAPTER: 4   E-Commerce, M-Commerce, Emerging Technologies

Q-1: Operating system acts as an interface between hardware and user be it a Smartphone, tablet or PC. Which of the following is not an Operating system?

(a) Android

(b) Blackberry OS

(c) Apple OS

(d) Chrome

Q-2: ABC Company as its business policy allows employees of managerial level to use their preferred computing devices for business purpose. While working, Mr. Suraj connected his laptop to company's network and an application virus infected the company's database. Which of the following risks best describe the above situation?

(a) Implementation Risk

(b) Network Risk

(c) Application Risk

(d) Device Risk

Q-3: Ms. Radha started her business through a website www.tastyfood.com wherein few food vendors and restaurants are associated with her as the partner. The customers can place order for the food of his/her choice of vendor through the website. This is a good example of_____.

(a) e-Auction

(b) Buyer Aggregators

(c) e-Mall

(d) e-shops

Q-4: Taste and Tasty, an online tiffin service vendor has started a new policy wherein they provide certain credit points to customers whose bills are above INR 1000 per order. Customers can avail these credit points in the next order they place. Which of the following is taken care by taste and tasty tiffin service as an ecommerce vendor?

(a) Privacy Policy

(b) Marketing and Loyalty program

(c) Different Ordering Method

(d) Supply Chain Management

Q-5: Which of the following is not an advantage of Cloud Computing?

(a) Improved flexibility

(b) Streamline business processes

(c) Interoperability

(d) Reduce Capital Costs

Q-6: Which model of e-commerce supports the activities within the customer chain that generally focuses on sell-side activities?

(a) Business to Business model (B2B)

(b) Consumer to Consumer model (C2C)

(c) Consumer to Business model (C2B)

(d) Business to Consumer model (B2C)

Q-7: Which is not an objective of controls in e-commerce transaction?

(a) Ensure data integrity

(b) System efficiency & effectiveness

(c) Safeguard assets from unauthorized access

(d) Support for multiple implementation

Q-8: Which of these is a software solution which fulfills the need of supercomputer in an organization?

   (a) Grid computing

   (b) Cloud computing

   (c) Virtualization

   (d) Green computing

Q-9: Codes can-not use a large amount of encryption at a time, is known as:

   (a) Parallel CPU capacity

   (b) Resource Balancing

   (c) Exportability

   (d) Interoperability

Q-10: Which feature of cloud computing isolate failure of server & storage resource from cloud users?

   (a) Multi tenancy

   (b) Resiliency

   (c) Elasticity & scalability

   (d) Workload management

Q-11: Which of these is an ability given to end users to access authentication infrastructure that is built, hosted, managed & provided by third party service provider?

   (a) Desktop as a service

   (b) Testing as a service

   (c) Platform as a service

   (d) Identity as a service

Q-12: Getting more work done in less time with less resource is possible. This benefit of cloud computing is known as:

   (a) Streamline business processes

   (b) Pervasive accessibility

   (c) Economic of scale

   (d) Globalize the workforce

Q-13: Which technology allows use of read/write web, blogs & interactive web application etc.?

   (a) Mobile computing

   (b) Grid computing

   (c) Cloud computing

   (d) Web 2.0

Q-14: Which component of web 3.0 provides user a common framework that could be used to share & reuse the data across various application?

   (a) Semantic Web

   (b) Web service

   (c) Supportive web

   (d) Systematic web

Q-15: Which of these has an objective to reduce the use of hazardous material, maximize energy efficiency during product lifetime?

  (a) Grid computing

  (b) Mobile computing

  (c) Green computing

  (d) Cloud computing

Q-16: Which of the following is not a risk of E-Commerce?

  (a) Hidden cost

  (b) Privacy & security

  (c) Quality issues

  (d) Extremely complex

Q-17: A computer that is using with Microsoft windows may host a virtual machine that looks like a computer with Linux Operating system. This is made possible by _____.

  (a) Server Virtualization

  (b) Hardware Virtualization

  (c) Database virtualization

  (d) Software virtualization

Q-18: Who releases standards for Industry body, which every e-commerce organization is required to comply?

  (a) Central Government of India

  (b) Reserve Bank of India

  (c) State Government of India

  (d) Judge of supreme court

Q-19: Mr. Raju wants to purchase a new laptop of BBCN Company through online mode. Hence, he is checking all the products available on BBCN website. From the following layers of e-commerce architecture, identify the layer on which he is working.

(a) Application Layer

(b) Database Layer

(c) Client /user Interface

(d) Communication Layer

Q-20: A company on the occasion of Diwali offers to provide an additional discount of 15% to its customers on online bulk purchase of products worth Rs. 5,000 through its website. Which of the following business model of e-commerce is being followed in this?

(a) Consumer to Business E-Commerce

(b) Business to Consumer E-Commerce

(c) Business to Business E-Commerce

(d) Consumer to Consumer E-Commerce

Answer key

1. D	2. C	3. B	4. B	5. C
6. D	7. D	8. A	9. C	10. B
11. D	12. A	13. D	14. A	15. C
16. D	17. B	18. B	19. A	20. B

CHAPTER. 5   Core Banking Solution

Q-1: Small BV, a newly established bank in Karnal city is providing core banking services only to its customers seamlessly. From the following, identify the service which is not provided by the bank.

- **(a)** Advances
- **(b)** Letters of Credit
- **(c)** Querying
- **(d)** Deposits

Q-2: CBS has added many features to service delivery of a bank. Identify the activity from the following that falls under its purview.

- **(a)** On-line real-time processing
- **(b)** Transactions are posted in batches
- **(c)** Databases are maintained as per branch
- **(d)** Loan processing is done at branch

Q-3: KK cooperative bank has its four branches in Pune city. Each branch confines itself to many key functions as mentioned below. Identify the option which does not fall under the key functions of branches of KK cooperative bank.

- **(a)** End of Day (EOD) Operations
- **(b)** Internal Authorization
- **(c)** Quality Assurance
- **(d)** Reviewing reports for control and error correction

Q-4: Different servers have different roles to perform. Which of the following server is responsible to host all internet related software?

(a) Proxy Server

(b) Database Server

(c) Web Server

(d) Application Server

Q-5: Which of the following best defines a risk?

(a) Undesired events are prevented

(b) Inherent vulnerabilities are identified

(c) Physical threats are documented

(d) Threat exploits vulnerability

Q-6: ATMs allows consumers to perform quick, self-serve transactions. Select the transaction not possible from ATM

(a) Deposit of Cash

(b) Withdrawal of Cash

(c) Transfer of Funds

(d) Account opening

Q-7: Which is not a sub-process of information security?

(a) Application security

(b) Database security

(c) Job & batch scheduling

(d) User security administration

Q-8: Which server performs necessary operation & updates the account of customer in the database?

(a) Application server

(b) Proxy server

(c) Web server

(d) Database server

Q-9: Which of these fuels the growth of banking operations & this is the most important function of a commercial bank?

(a) Clearing

(b) Deposits

(c) Credit cards

(d) Debit cards

Q-10: What is the full form of C.I.B.I.L.?

(a) Credit Information Bureau India Limited

(b) Customer Information Based Internal Language

(c) Controlled Inquiry Based Income Layout

(d) Confirmed Interest Based Indirect Loan

Q-11: Where a person committing a contravention of any of the provisions of PMLA, or of any rule, direction or order made there under is a company, _____ shall be deemed to be guilty of the contravention and shall be liable to be proceeded against and punished accordingly.

(a) Company

(b) Person in charge of the company

(c) Both

(d) Auditor

Q-12: Which of these refer to the setting parameters for various types of product &service type as per software modules used in banks?

    (a) Configuration

    (b) Masters

    (c) Transaction

    (d) Reports

Q-13: A Bank ABC gave an undertaking to the third party, supplier of goods/ services to pay amount of INR 2 crore to him on behalf of a businessman Mr. X; provided the terms and conditions of the undertaking are complied with. This service of banks is known as _____.

    (a) Issuing letter of Guarantee

    (b) Issuing letter of Comfort

    (c) Issuing letter of Credit

    (d) Issuing letter of Understanding

Q-14: A company has purchased a luxury yacht in Monte Carlo from sale of property worth Rs. 100/- crores. The sale was executed in cash and money was taken out of India through dubious means. This transaction is a money laundering act by the company. Purchase of luxury yacht is best classified as _____.

    (a) Application

    (b) Placement

    (c) Integration

    (d) Layering

Q-15: Money Laundering is commonly used by criminals to make dirty money appear legitimate. In this context, which stage of Money Laundering involves the bank transfers between different accounts in different names in different countries making deposit and withdrawals?

  (a) Placement

  (b) Layering

  (c) Integration

  (d) Financing

Q-16: An organization ABC used to make payment of the salaries to its employees by transferring of funds to their saving accounts. This mode of transfer made by ABC is _____.

  (a) Remittances

  (b) ECS Credit

  (c) ECS Debit

  (d) Deposits

Q-17: Arrange the correct sequence business process flow of sale using credit card:

i) receipt is generated & sale is completed,

ii) send authentication request to merchant's bank,

iii) approval message will be received from credit card issuing bank,

iv) POS will process the transaction,

v) credit card is swiped by POS machine.

  (a) ii, i, v, iv, iii

(b) iii, ii, iv, v, i

(c) v, iv, ii, iii, i

(d) iv, i, v, iii, ii

Q-18: Which of the following is not a category of cybercrimes as classified by The United Nations Manual on the Prevention and Control of Computer Related Crime?

   (a) Unauthorized access to computers by 'hacking' into systems

   (b) Inadvertent damage caused to computer data

   (c) Committing of a fraud by manipulation of the input

   (d) Unauthorized reproduction of computer programs or software piracy

Q-19: Which section of IT amendment Act imposes responsibility for protection of stakeholder information by body corporate?

   (a) Sec 43

   (b) Sec 66 E

   (c) Sec 66 D

   (d) Sec 66 B

Q-20: Which is the core area of treasury operation in a bank?

   (a) Middle office

   (b) Back office

   (c) Dealing room operation

   (d) All of the above

ANSWER KEY

1. C	2. A	3. C	4. C	5. D
6. D	7. C	8. A	9. B	10. A
11. C	12. B	13. C	14. C	15. B
16. C	17. C	18. B	19. A	20. C

SM

MCQS

CHAPTER: 1 Introduction to Strategic Management

Q-1: Reactive strategy can also be termed as _____.

   (a) Planned strategy

   (b) Adaptive strategy

   (c) Sound strategy

   (d) Dynamic strategy

Q-2: 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

Q-3: 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.

Q-4: The origin of business policy can be traced back to _____, when Harvard Business School introduced an integrative course in management.

   (a) 1910

   (b) 1911

   (c) 1912

   (d) 1913

Q-5: In large organizations, strategies are formulated at _____ level?

   (a) Corporate levels

   (b) Divisional levels

   (c) Functional levels

   (d) All of the above

Q-6: Which of the following is not an advantage of strategic management?

   (a) Framework for all major decisions

   (b) Develop core competencies and competitive advantages

   (c) Guarantees future success

   (d) Enhance the longevity of the business

Q-7: Which level manager is closer to the customers?

   (a) Corporate level manager

   (b) Business level manager

   (c) Functional level manager

   (d) None of these

Q-8: Which of these involves developing a strategy to meet competition and ensure long term survival and growth?

   (a) Strategy planning

   (b) Strategy Implementation

   (c) Strategic change

   (d) Monitoring

Q-9: Which of the following act as barrier in success of Governmental agencies and departments?

   (a) Politics

   (b) less strategic autonomy

   (c) little freedom in altering the organizations' missions or redirecting objectives.

   (d) All of the above

Q-10: Which of the following statements correctly explain strategic management?

   (i)   Strategic management provides framework for major decisions.

   (ii)   Strategic management helps to enhance the longevity of the business.

   (iii)   Strategic management is an inexpensive process.

   (iv)   Strategic management helps organisation to be more reactive than proactive.

   (a) (i) and (ii)

   (b) (i), (ii) and (iii)

   (c) (i), (ii) and (iv)

   (d) (i), (iii) and (iv)

Q-11: _____ managers are viewed as the guardians of shareholders welfare?

(a) Corporate level

(b) Business level

(c) Functional level

(d) None of these

Q-12: Educational delivery system has undergone considerable changes with introduction of _____.

(a) Mobile

(b) Internet

(c) Computers

(d) All of the above

Q-13: _____ said 'I believe we do a far better job of strategic management that any company I know?

(a) Richard Cyert

(b) Igor H. Ansoff

(c) William F. Glueck

(d) Michael Porter

Q-14: In which level, there are no general managers?

(a) Corporate levels

(b) Business level

(c) Functional level

(d) none of these

Q-15: In competitive environment, it is difficult to clearly estimate _____ about firm's strategies.

    (a) Competitive Responses

    (b) Operating process

    (c) Control System

    (d) Reasonable outcomes

Q-16: Which is not an advantage of strategic management?

    (a) Helps organizations to be proactive

    (b) Create their own destiny in better manner

    (c) Identify opportunities

    (d) None of these

Q-17: Which of the following serves as a corporate defence mechanism against mistakes and pitfalls?

    (a) Strategic Management

    (b) Marketing Techniques

    (c) Strategic Awareness

    (d) Competitive Analysis

Q-18: Which of the following managers' role is to translate the general statements/ strategies into concrete strategies of their individual businesses _____?

    (a) Supervisor

    (b) Business Level Manager

    (c) CEO of the company

    (d) All of the above

Q-19: Strategic management can be effectively used by NGOs to _____ .

(a) Use resource effectively

(b) Raise funds

(c) Achieve goals

(d) All the above

Q-20: 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

Answer Key

1. B	2. A	3. D	4. B	5. D
6. C	7. C	8. A	9. D	10.A
11. A	12. D	13. A	14.C	15.A
16.D	17.A	18.B	19. D	20.D

CHAPTER: 2 DYNAMICS OF COMPETITIVE STRATEGY

Q-1: 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

Q-2: 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

Q-3: Match the core competencies for the following industry

1. Automobile Industry	A. Styling, efficient dealer network performance
2. Food processing unit	B. Reputation, innovative new policies
3. Life Insurance Industry	C. Right mix available in each store, pricing
4. Super Market Industry	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

Q-4: 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

Q-5: 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) & (vi)

(b) (i), (iv) & (vi)

(c) (iv) & (vi)

(d) (i), (iii), (iv), (vi)

Q-6: 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

Q-7: 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

Q-8: Which of the following is a dominant Economic feature?

(a) Size and Nature of market

(b) Scope of competitive rivalry

(c) Types of distribution channel

(d) All of the above

Q-9: How many strategic groups does an industry contain when all sellers pursue essentially identical strategies and have comparable market position?

(a) More than 2

(b) Less than 10

(c) Only one

(d) None of these

Q-10: Which area of core competencies provide a company an edge compared to competitors and allows company to provide better offers to market with no fear that competitor can imitate?

(a) Competitor differentiation

(b) Customer value

(c) Profitability of industry

(d) Application to other market

Q-11: Which strategy has its objective to increase market share, even by foregoing short-term earnings?

(a) Build

(b) Hold

(c) Harvest

(d) Divest

Q-12: Which of these refers to ability of rivals to attack position of competitive advantage relies on their gaining access to necessary and capabilities?

(a) Durability

(b) Transferability

(c) Imitability

(d) Appropriability

Q-13: Which integration attempts to improve performance through ownership of more parts of the value system, making linkages internal to organization?

(a) Vertical

(b) Horizontal

(c) Co-centric

(d) Conglomerate

Q-14: Which of these will not be considered as primary activity?

(a) Inbound Logistics

(b) Marketing and Sales

(c) Procurement

(d) Service and operation

Q-15: Industry's economic feature and competitive structure reveal _____ about its fundamental character and _____ about ways in which its environment may be changing.

(a) A Lot, Little

(b) Little, A Lot

(c) Nothing, A Lot

(d) A Lot, Nothing

Q-16: Which of the following is not the factor influencing market position of an organization?

(a) Organization's Correct Market position

(b) Nature of opportunity and threat

(c) Capability to capitalize opportunity

(d) Capability to stratify situation

Q-17: In which position of ADL, a firm has considerable degree of freedom over its choice of strategies and often able to act without fear of its market position?

(a) Dominant

(b) Tenable

(c) Favourable

(d) Strong

Q-18: Which of these is a unique feature of a company and its products that are perceived by the target market as significant and superior to the competition?

(a) Strategic Leadership

(b) Competitive Advantage

(c) Strategic Intent

(d) Competitive Landscape

Q-19: Which of these refers to a growth strategy where business focuses on selling existing products into existing markets?

(a) Market Penetration

(b) Market Development

(c) Product Development

(d) Diversification

Q-20: Which of these is useful analytical tool for comparing market position of each firm separately when an industry has so many competitors that it is not practical to examine each of them?

(a) Strategic Group Mapping

(b) Scenario Analysis

(c) Strategic Core Analysis

(d) Portfolio Analysis

Answer Key

1. C	2. C	3. A	4. D	5. A
6. B	7. A	8. D	9. C	10. A
11. A	12. B	13. A	14. C	15. A
16. D	17. D	18. B	19. A	20. A

CHAPTER: 3 Strategic Management Process

Q-1: 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

Q-2: In which phase of strategic management are annual objectives especially important?

  (a) Formulation

(b) Control

(c) Evaluation

(d) Implementation

Q-3: 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

Q-4: _____ implies blueprint of the company's future position and describe organization's aspirations?

(a) Vision

(b) Mission

(c) Goal and Objectives

(d) Business Model

Q-5: Which of these is the expression of growth ambition of the firm?

(a) Strategic vision

(b) Corporate Mission

(c) Business Definition

(d) Goals and objective

Q-6: The managerial purpose of setting _____ is to convert the strategic vision into specific performance targets- results and outcomes the management wants to achieve.

(a) Mission

(b) Objectives

(c) Strategy

(d) Strategic vision

Q-7: Which of the following is time- based measurable targets, which help in accomplishment of goals?

(a) Business Model

(b) Objectives

(c) Vision

(d) Mission

Q-8: Which of the following is not one of the stages of strategic management?

(a) Strategic Vision, Mission and objectives

(b) Environmental and Organization Analysis

(c) Strategic Evolution and Control

(d) Analysis of Risk and Control

Q-9: Which of the following is not the reason for having mission statement in organization?

(a) Ensure unanimity of purpose

(b) Developed basis for allocating resources

(c) Establish organizational climate

(d) Helpful in lawful strategy implementation

Q-10: Business organization translate their vision and mission into _____.

(a) Strategy Planning

(b) Business definition

(c) Goals and objectives

(d) Business Model

Q-11: Top management's views and conclusion about company's direction and product–customer–market– technology focus constitutes _____ for company.

(a) Corporate Mission

(b) Business Model

(c) Strategic Vision

(d) Goals and objectives

Q-12: Which of the following seeks to explain business undertaken by firm, with respect to customer needs, target markets and technologies?

(a) Mission

(b) Goals and objectives

(c) Business Definition

(d) Business Model

Q-13: _____ can be employed when information gathering and additional are not able to reduce uncertainty?

(a) Report analysis

(b) Market analysis

(c) Risk analysis

(d) Scenario analysis

Q-14: Which of the following is not related with business definition?

(a) Customer needs

(b) Target Markets

(c) Alternative Technologies

(d) Organizational aspirations

Q-15: Which of following the following communicates management aspirations to stakeholders and helps steer the energies of company personnel in a common direction?

(a) Corporate Mission

(b) Business Model

(c) Strategic Vision

(d) Goals and objectives

Q-16: Best-worded _____ statement clearly and crisply illuminates direction in which organization is headed.

(a) Vision

(b) Mission

(c) Goals

(d) Objectives

Q-17: _____ delineates management's aspiration for the organization and highlights a particular direction, or strategic path for it to follow in preparing for the future, and moulds its identity.

(a) Strategic vision

(b) Strategy

(c) Workers

(d) Administrative

Q-18: Objectives should be _____.

    i. Concrete and specific.

    ii. Related to time frame.

    iii. Standards for performance appraisal.

Which of the above statements are true?

(a) (i) & (ii).

(b) (ii) & (iii).

(c) (i) & (iii).

(d) (i), (ii) and (iii).

Q-19: Gennex industries are analyzing the technological forces for the firm which may provide it opportunities and threats for which of the following stage/s of strategic management process?

(a) Strategy formulation

(b) Strategy implementation

(c) Strategy evaluation

(d) All of the above

Q-20: Training company operates a network of accounting training centres throughout Europe, the US and Australia. The business intends to enter developing markets in order to drive growth and has now decided to enter India which is 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 factor(s) that the Board should consider while implementing its strategy?

(a) Key local rivals and their strengths and weaknesses

(b) Courses are suitable for this market

(c) Timing of the courses (Public holidays, religious festivals, etc to be avoided)

(d) All of the above

Answer Key

1. D	2. D	3. B	4. A	5. D
6. B	7. B	8. D	9. D	10.C
11. C	12. C	13. D	14. D	15.C
16. A	17. A	18. D	19. D	20. D

CHAPTER: 4 Corporate Level Strategies

Q-1: 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)

Q-2: 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

Q-3: 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

Q-4: Stability, Growth, Retrenchment and Combination are also known as _____.

(a) Initial Strategies

(b) Environmental Strategy

(c) Electric Model Strategy

(d) Directional Strategy

Q-5: In _____ diversification, firms opt to engage in businesses that are not related the existing business of the firm,

   (a) Vertical integrated

   (b) Horizontally integrated

   (c) Concentric

   (d) Conglomerate

Q-6: _____ is a popular strategy that tends to be equated with dynamism, vigor, promise and success?

   (a) Stability

   (b) Expansion

   (c) Retrenchment

   (d) Combination

Q-7: Which strategy involves keeping track of new developments to ensure that strategy continues to make sense?

   (a) Stability

   (b) Expansion

   (c) Retrenchment

   (d) Combination

Q-8: Which advantage of Strategic alliance is reflected in following sentence – 'Partners can take advantage of co- specialization, creating additional value'?

   (a) Organizational

   (b) Economic

   (c) Political

   (d) Strategic

Q-9: _____ strategy is usually a part of rehabilition plan and is adopted when a turnaround has been attempted but has proved to be unsuccessful?

    (a) Divestment

    (b) Expansion

    (c) Stability

    (d) Stratification

Q-10: Which strategy gives an organisation greater control over market as well as competitor?

    (a) Stability Strategy

    (b) Expansion Strategy

    (c) Retrenchment strategy

    (d) Combination strategy

Q-11: Which of the following is not reason for combination strategy?

    (a) Organization is large and faces complex environment

    (b) Organization is composed of different businesses

    (c) Organization wants to expand rapidly

    (d) None of the above

Q-12: Which of these is combination of firms engaged in same industry and is a merger with a direct competitor?

    (a) Vertical

    (b) Horizontally

    (c) Co-generic

    (d) Conglomerate

Q-13: Which of the advantage of Strategic Alliance is reflected in the sentence – 'It creates a competitive advantage by the pooling of resources and skills'?

(a) Organizational

(b) Economic

(c) Political

(d) Strategic

Q-14: When firm is entering in business lines that use existing products and also when firm enters into business of distribution channels, it is known as _____ diversification.

(a) Forward Integration

(b) Backward Integration

(c) Concentric

(d) Conglomerate

Q-15: What issues are required to be considered for successful turnaround strategy?

(a) Long–term

(b) Short- term

(c) Strategic issue

(d) All of the above

Q-16: Which of the following often takes pace during recession in economy or during declining profit margins?

(a) Acquisition

(b) Merger

(c) Diversification

(d) Stratification

Q-17: _____ refers to the strategy when firm directs its resources to the profitable growth of its existing product in existing market.

    (a) Market Penetration

    (b) Market Development

    (c) Product Development

    (d) None of these

Q-18: When organization takes over other organization and control all its business operations, it is known as _____.

    (a) Acquisition

    (b) Merger

    (c) Penetration

    (d) Stratification

Q-19: Which advantage of Strategic alliance is reflected in following sentence – 'Strategic Alliance helps to learn necessary skill and obtain certain capabilities from strategic partners?

    (a) Organizational

    (b) Economic

    (c) Political

    (d) Strategic

Q-20: When deals get finalized on friendly terms and both organizations share profits in the newly created entity, it is known as _____.

    (a) Acquisition

    (b) Merger

    (c) Penetration

    (d) Stratification

Answer Key

1. C	2. A	3. C	4. D	5. D
6. B	7. A	8. B	9. A	10. B
11. C	12. B	13. D	14. A	15. D
16. A	17. A	18. A	19. A	20. B

CHAPTER: 5 Automated Business Process

Q-1: 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 and ensure a smooth implementation.

   (a) Corporate level managers

   (b) Functional level managers

   (c) General level managers

(d) Business level managers

Q-2: Perscopter, a manufacturer of private helicopter offers unique features that fulfil 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

Q-3: 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

Q-4: Best-cost provider strategy involves providing customers more value for the money by emphasizing:

  (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

Q-5: 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.

Q-6: _____ believes that the basic unit of analysis for understanding is a group of competitors producing goods or services that compete directly with each other.

(a) Michael Porter

(b) Igor Ansoff

(c) Mckinsey

(d) Arthur D Little

Q-7: Which of the following is one of most effective and enduring conceptual frameworks used to assess nature of competitive environment and to describe an industry's structure?

(a) Porter's five forces

(b) Generic Strategy

(c) Ansoff growth share matrix

(d) General Electric Matrix

Q-8: In case assets of a Firm is considered highly specialized and therefore of little value to any other firm, such situation creates _____.

(a) Fixed cost

(b) Slow Growth

(c) Exit Barrier

(d) Industry Leader

Q-9: Which strategy is aimed at producing products and services considered unique industry wide and directed at consumers who are relatively price insensitive?

(a) Cost Leadership

(b) Differentiation

(c) Focused strategy

(d) None of these

Q-10: The inter-relationship among _____ gives each industry its own particular competitive environment.

(a) Strategies

(b) Resources

(c) Controls

(d) Porter's Five Forces

Q-11: Which of these is a powerful and widely used tool for systematically diagnosing significant competitive pressure in a market?

(a) Porter's Five forces

(b) Generic strategy

(c) Ansoff growth share matrix

(d) General share matrix

Q-12: _____ helps to provide value to customers and gain competitive advantage by exploiting core competencies in specific, individual products/services.

(a) Corporate level strategy

(b) Business level strategy

(c) Functional level strategies

(d) None of these

Q-13: Which is the disadvantage of differentiation strategy?

(a) Uniqueness is difficult to sustain

(b) Charging higher Price my force customer to switch

(c) May Not Be valued by customers

(d) All the above

Q-14: Which of the following is not the effect of a new entrant in the industry?

(a) Reduced industry profitability

(b) Increased supply of product

(c) Higher price of product

(d) Erode market share of existing players

Q-15: _____ strategy depends on an industry segment that is of sufficient size, has good growth potential and is not crucial to success of other major competitors.

(a) Cost leadership

(b) Differentiation

(c) Focused strategy

(d) None of these

Q-16: _____ strategy allows a firm to charge a higher price for its product and to build customer loyalty?

   (a) Cost leadership

   (b) Differentiation

   (c) Focused

   (d) None of these

Q-17: _____ is the result of committing substantial resources for long period and it is particularly important for infrequently purchased products that carry high cost to buyer?

   (a) Brand Identify

   (b) Switching Cost

   (c) Product Differentiation

   (d) Economic of scale

Q-18: Introduction of products by new firm may lead incumbents to reduce their product prices and increase their advertising budget. This entry barrier is referred as _____.

   (a) Possibility of aggressive retaliation

   (b) Economic of scale

   (c) Access to distribution channels

   (d) Brand identity

Q-19: Rolls Royce follows _____ strategy while selling limited number of high-end, custom –built cars.

(a) Only Cost Leadership

(b) Only Differentiation

(c) Focused Cost leadership

(d) Focused Differentiation

Q-20: Sanjivni Pharmaceuticals Limited manufacturers 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

(b) Best cost provider strategy

(c) Differentiation strategy

(d) Cost leadership strategy

Answer Key

1. B	2. D	3. D	4. B	5. B
6. A	7. A	8. C	9. B	10. D
11. A	12. B	13. D	14. C	15. C
16. B	17. A	18. A	19. D	20. C

CHAPTER: 6 Functional Level Strategies

Q-1: 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; any applicant must have a 'passion for sport'. 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

Q-2: Evaluating the worth of a business is determining its _____.

(a) Fixed Assets

(b) Net worth

(c) Goodwill

(d) None of thes

Q-3: Which of the following is not a reason for which functional strategies are needed?

(a) It acts as basis for controlling activities

(b) It provides sense of direction to staff

(c) It helps in bringing harmony

(d) It facilitates creation of ethical workplace

Q-4: Which of the following is not an examples of marketing decisions?

(a) The amount and the extent of advertising

(b) Whether to be a price leader or a price follower?

(c) Source of acquiring funds for marketing

(d) Whether to offer a complete or limited warranty?

Q-5: Which of the following is a marketing philosophy which states that a company's marketing should support the best long-term performance of marketing system?

(a) Augmented Marketing

(b) Social Marketing

(c) Enlightened Marketing

(d) Synchro Marketing

Q-6: The Prominent areas where the human resources manager can play strategic role are _____.

(a) Facilitation of change

(b) Building Core Competency

(c) Managing Workforce Diversity

(d) All the above

Q-7: _____ is the oldest form of promotion?

(a) Personal selling

(b) Publicity

(c) Sales promotion

(d) Advertisement

Q-8: _____ is a marketing strategy in which a firm decides to target several market segments and design separate offer for each.

    (a) Concentrated Marketing

    (b) Differential Marketing

    (c) Enlightened marketing

    (d) Synchro Marketing

Q-9: Which of the following is not a prominent area where human resource manager plays strategic role?

    (a) Development of works ethics

    (b) Empowerment of human resources

    (c) Managing workforce Diversity

    (d) Restricting the change

Q-10: _____ can be used when demand for product is irregular due to season, some parts of the day, or on hour basis, causing overworked capacity?

    (a) Concentrated Marketing

    (b) Differential Marketing

    (c) Enlightened Marketing

    (d) Synchro Marketing

Q-11: _____ refers to a set of controllable marketing variables that the firm blends to produce the response it wants in target market?

    (a) Market Technique

    (b) Market Mix

    (c) Market Zone

    (d) Market Condition

Q-12: Which of the following is not a limitation of Financial budgets?

    (a) financial budgets can become a substitute for objectives

    (b) sometimes used as instruments of tyranny

    (c) cumbersome and overly expensive

    (d) May result in inefficient usage of funds

Q-13: Which of the following is not an approach of determining the worth of business?

    (a) Outstanding share method

    (b) Net worth or stockholders' equity

    (c) Price Earnings Ratio Method

    (d) Performance oriented method

Q-14: In skimming strategy, the price of product is set at a very _____ level initially.

    (a) Low

    (b) Moderate

    (c) High

    (d) None of these

Q-15: _____ includes catalogue selling, e-mail, telecomputing, electronic marketing, shopping and TV shopping.

   (a) Augmented Marketing

   (b) Direct Marketing

   (c) Enlightened Marketing

   (d) Social Marketing

Q-16: Which of the following is a social and managerial process by which individual and groups obtain what they need and want through creating, offering and exchanging products of value with others?

   (a) Production

   (b) Marketing

   (c) Financing

   (d) Research and Development

Q-17: _____ means environment in which market offering is delivered and where the firm and customer interact.

   (a) People

   (b) Process

   (c) Physical evidence

   (d) Publicity

Q-18: _____ method of determining a Firm's worth involves dividing the market price of firm's common stock by the annual earnings per share and multiply this number by the average net income for past five years.

(a) Outstanding share method

(b) Selling price method

(c) Price earnings Ratio Method

(d) Stockholders Equity Method

Q-19: Human resource management has been accepted as a strategic partner in the formulation of organization's strategies and in the implementation of such strategies through human resource planning, employment, training, appraisal and reward systems. Factors that influence on employee competence are _____.

(a) Recruitment and selection

(b) Training

(c) Appraisal of performance

(d) Compensation

Q-20: Ever youth Beauty Products Limited, the makers of Feel-Fresh soaps have been suffering from low sales volume from the last six months due to stiff competition. To regain its position, Ever youth 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 Ever youth Beauty Products Limited adopted?

(a) Sales promotion

(b) Advertising

(c) Publicity

(d) Personal selling

Answer Key

1. A	2. B	3. D	4. C	5. C

6. D	7. A	8. B	9. D	10. D
11. B	12. D	13. D	14. C	15. B
16. B	17. C	18. C	19. C	20. A

CHAPTER: 7 Organization and Strategic Leadership

Q-1: 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

Q-2: 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

Q-3: What is the second phase of Matrix structure proposed by Davis and Lawrence?

   (a) Cross functional task forces

   (b) Product/brand management

(c) Cross fertilized projects

(d) Mature matrix

Q-4: _____ violates principle of unity of command.

(a) Network structure

(b) Hourglass Structure

(c) Simple Structure

(d) Matrix Structure

Q-5: _____ is developed to combine the stability of the functional structure with the flexibility of the product form.

(a) Network structure

(b) Hourglass Structure

(c) Simple Structure

(d) Matrix Structure

Q-6: Which of the following consists of a chief executive officer or a managing director and supported by corporate staff with manager of production, financial, accounting department?

(a) Functional Structure

(b) Hourglass Structure

(c) Simple Structure

(d) Matrix Structure

Q-7: Which of the following is not the way by which divisional structure can be organized?

(a) By geographical area

(b) By controls

(c) By customer

(d) By process

Q-8: Which of the following statements are true?

Statement 1: Historically, large multi-business firms were handling business planning on a territorial basis.

Statement 2: Individual SBUs are treated as cost centres.

   (a) Statement 1 is correct

   (b) Statement 2 is correct

   (c) Both Statements are correct

   (d) None of the statement is correct

Q-9: When an organization finds that organizing around either functions or around products or geography does not provide an appropriate organizational structure, it opts for _____.

   (a) Network structure

   (b) Hourglass Structure

   (c) M- form Structure

   (d) Matrix Structure

Q-10: Which leadership offers excitement, vision, intellectual stimulation and personal satisfaction?

   (a) Transformational

   (b) Transactional

   (c) Both (a) and (b)

(d) None of these

Q-11: In _____, functional and products forms are combined simultaneously at the same level of organization?

    (a) Network structure

    (b) Matrix Structure

    (c) Hourglass Structure

    (d) M-Form Structure

Q-12: It is _____ task that once strategy is chosen, to change whatever facets of the corporate culture hinder effective execution.

    (a) Strategy Formulator's

    (b) Strategy Implementer's

    (c) Operational Manager's

    (d) Functional Manager's

Q-13: In which structure, the communication is direct and frequent, and new products tend to be introduced to the market quickly, which can result in a competitive advantage?

    (a) Simple structure

    (b) Network structure

    (c) Hourglass structure

    (d) M-Form structure

Q-14: _____ refers to operational understanding by corporate officers of the strategic being implemented within the firm's separate business units.

    (a) Strategic intent

(b) Strategic change

(c) Strategic control

(d) None of these

Q-15: _____ refers to creation of a business idea and the fusion of capital, technology and human talent to give practical shape of idea?

(a) Entrepreneurship

(b) Intrapreneurship

(c) Both (a) and (b)

(d) None of these

Q-16: What type of organizational structure do most small businesses follow?

(a) Divisional structure

(b) Functional structure

(c) Hour Glass structure

(d) Matrix structure

Q-17: A divisional structure _____ allows local participation in decision making and improved coordination within a region.

(a) By geographical area

(b) By product/services

(c) By customer

(d) By process

Q-18: In which of the following aspect, a company's culture is not manifested?

(a) Employees' attitudes and behaviour

(b) Peer pressures that exist

(c) Traditions the organization maintains

(d) Vendor's strategies

Q-19: _____ sets the firm's direction by developing and communicating a vision of future and inspire organization members to move in that direction.

(a) Strategic leadership

(b) Managerial leadership

(c) Operational leadership

(d) None of these

Q-20: Which structure is most useful when environment of a firm is complex and changeable?

(a) Simple structure

(b) Network Structure

(c) SBU

(d) Matrix Structure

Answer Key

1. C	2. B	3. B	4. D	5. D
6. A	7. B	8. A	9. D	10. A
11. B	12. B	13. A	14. C	15. A
16. D	17. A	18. D	19. A	20. D

CHAPTER: 8 STRATEGY IMPLEMENTATION AND CONTROL

Q-1: The Audit Committee of Theta Ltd on observing a sluggish growth has advised a radical internal digital transformation. A strategy audit was proposed to identify problem areas 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. With reference to Richard Rumelt's criteria for strategy audit, kindly identify and mark the correct evaluation criteria to be adopted.

(a) Advantage

(b) Consistency

(c) Consonance

(d) Feasibility

Q-2: GetWellSoon Limited is a health 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 practitioners and the main hospitals

(a) Only (d)

(b) (b) & (d)

(c) (a), (b) & (d)

(d) (a), (b), (c) & (d)

Q-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

Q-4: 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

Q-5: 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

Q-6: 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

Q-7: 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

Q-8: Which of the following involves internal changing of the individual's thought processes in order to adjust to a new environment?

    (a) Compliance

    (b) Identification

    (c) Internalization

    (d) None of these

Q-9: An organisation dies slowly when operational management is _____ and strategic formulation is _____.

    (a) Inefficient, Ineffective

    (b) Inefficient, Effective

    (c) Efficient, Inefficient

    (d) Efficient, Effective

Q-10: Strategic implementation control, unlike _____, continuously monitors the basic direction of the strategy.

    (a) Special Alert Control

    (b) Operational Control

    (c) Premises control

(d) Management control

Q-11: _____ requires introduction of change in the organization to make organizational member adapt to the new environment.

   (a) Strategic Intent

   (b) Strategic planning

   (c) Strategy Crafting

   (d) Strategy Implementation

Q-12: A strategy is formed on the basis of certain assumption about the complex and turbulent organizational environment. Applicable c0ntrol in for such case is referred as _____.

   (a) Premise Control

   (b) Strategic Surveillance

   (c) Special Alert Control

   (d) Implementation control

Q-13: _____ helps in improving performance by learning from the best practices and the processes by which they are achieved.

   (a) BPR

   (b) Strategic Audit

   (c) Benchmarking

   (d) Strategic Change

Q-14: Which is a function intended to ensure and make possible the performance of planned activities and to achieve the pre-determined goals and results?

   (a) Strategic control

(b) Strategic change

(c) Strategic vision

(d) None of these

Q-15: Which of the following step involves selecting the type of benchmarking and by which organizations identify realistic opportunity for improvements?

(a) Identifying the need for benchmarking

(b) Identify best process

(c) Evaluation

(d) Clearly understanding existing business Processes

Q-16: IT- initiatives provide business values in form of Innovation, _____.

(a) By way of increased productivity

(b) By way of better management

(c) By way of improved products/ services

(d) None of these

Q-17: Which of the following is a guideline to help determine if organizational problems are due to inconsistencies in strategy?

(a) Managerial problems continue despite changes in personnel

(b) Success for one organizational department means failure for another department

(c) Policy problems and issues continue to be brought to the top for resolution

(d) All of the above

Q-18: _____ is a complex process that involves a corporate strategy focused on new markets, products, services and new ways of doing business.

(a) Strategic change

(b) Strategic Intent

(c) Strategic Control

(d) None of these

Q-19: Determine the correct sequence of strategic change.

i. Institutionalize the change

ii. Create a shared vision to manage change

iii. Recognize need for change

(a) (i), (iii), (ii)

(b) (iii), (ii), (i)

(c) (ii), (iii), (i)

(d) (i), (ii), (iii)

Q-20: Which of the following is not a problem of BPR?

(a) It disturbs established hierarchies and functional structures

(b) Involves time and expenditure

(c) There can be loss in revenue during the transition period

(d) Large number of companies have gone for BPR, thus taking away uniqueness

Answer Key

1. B	2.D	3.B	4.A	5.C
6. D	7. D	8.C	9.B	10. B
11. D	12. A	13. C	14. A	15. A
16. C	17. D	18. A	19. B	20. D