

## MULTIPLE CHOICE QUESTIONS

1. Strategy is a game plan used for which of the following?
  - (a) To take market position
  - (b) To attract and satisfy customers
  - (c) To respond to dynamic and hostile environment
  - (d) All of the above
2. Which of the following is correct?
  - (a) Strategy is always pragmatic and not flexible
  - (b) Strategy is not always perfect, flawless and optimal
  - (c) Strategy is always perfect, flawless and optimal
  - (d) Strategy is always flexible but not pragmatic
3. Strategy is-

(a) Proactive in action	(b) Reactive in action
(c) A blend of proactive and reactive actions	(d) None of the above
4. Reactive strategy can also be termed as-

(a) Planned strategy	(b) Adaptive strategy
(c) Sound strategy	(d) Dynamic strategy
5. Formulation of strategies and their implementation in a strategic management process is undertaken by-

(a) Top level executives	(b) Middle level executives
(c) Lower-level executives	(d) All of the above
6. Which of the following are responsible for formulating and developing realistic and attainable strategies?
  - (a) Corporate level and business level managers
  - (b) Corporate level and functional level managers
  - (c) Functional managers and business level managers
  - (d) Corporate level managers, business level managers and functional level managers

7. Which of the following managers' role is to translate the general statements/ strategies into concrete strategies of their individual businesses-
- (a) Supervisor (b) Functional Manager  
(c) CEO of the company (d) All of the above
8. Which statement should be created first and foremost?
- (a) Strategy (b) Vision  
(c) Objectives (d) Mission
9. Strategic management enables an organization to \_\_\_\_\_, instead of companies just responding to threats in their business environment.
- (a) be proactive (b) determine when the threat will subside  
(c) avoid the threats (d) defeat their competitors
10. Read the following three statements:
- (i) Strategies have short-range implications.  
(ii) Strategies are action oriented.  
(iii) Strategies are rigidly defined.
- From the combinations given below select an alternative that represents statements that are true:
- (a) (i) and (ii) (b) (i) and (iii)  
(c) (ii) and (iii) (d) (i), (ii) and (iii)
11. What involves formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives?
- (a) Strategy formulation (b) Strategy evaluation  
(c) Strategy implementation (d) Strategic management
12. Strategic management allows an organization to be more
- (a) Authoritative (b) Participative  
(c) Commanding (d) Proactive
13. Strategic management can be effectively used by NGOs to:
- (a) Use resource effectively (b) Raise funds  
(c) Achieve goals (d) All the above
14. Strategy helps in:
- (a) Unravelling complexity (b) Reduce uncertainty  
(c) Relate the goals with the resources. (d) All of Above
15. Which of the following statement is not true:
- (a) Strategic environment is complex  
(b) Strategic environment is turbulent  
(c) High cost of strategy makes them useless for charitable organizations  
(d) Public sector units should implement business strategy



23. Which one of the following, focuses on present business scope- 'who we are and what we do'?
- (a) Mission Statement (b) Vision Statement  
(c) Goals and objectives (d) Purpose
24. Imagine you are part of a strategic planning team for a company. As you work on defining the company's identity and its current business scope, which of the following elements primarily concentrates on answering the question, "Who we are and what we do?"
- (a) Mission statement (b) Vision statement  
(c) Goals and Objectives (d) Purpose
25. Mr. S and Mr. K are partners in a thriving business venture. Recently, they have become aware of their employees' dissatisfaction with their working conditions. Mr. S believes that the situation should be dealt with before the employees explode. Mr. K, on the other hand, believes that if the employees have an outburst, then they will handle it. Mr. S and Mr. K business philosophy is:
- (a) Reactive, Proactive (b) Reactive, Reactive  
(c) Proactive, Proactive (d) Proactive, Reactive
26. In large organization strategies are formulated at which level?
- (a) Corporate levels (b) Divisional Levels  
(c) Functional levels (d) All of the above
27. Which of these serves as a corporate defence mechanism against mistakes & pitfalls?
- (a) Strategic Management (b) Marketing Techniques  
(c) Strategic Awareness (d) Competitive Analysis
28. Which is a self-contained division?
- (a) Strategic business unit (b) Divisional structure  
(c) corporate division (d) Managerial division
29. Which is a planned strategy?
- (a) Proactive (b) Reactive  
(c) Adaptive (d) None of these
30. Which is not an advantage of strategic management?
- (a) Helps organizations to be proactive. (b) Control their own destiny in better manner.  
(c) Identify available opportunity (d) None of these
31. Which is a set of interrelated functions & processes carried out by management of an organization to attain its objective?
- (a) Strategy (b) Execution  
(c) Monitoring (d) Management
32. Which is not the limitation of strategic management?
- (a) Time Consuming Process (b) Difficult Estimation of competitive responses  
(c) Costly Process (d) Understandable complex environment

- 33.** Which of these is something that has to do with war & ways to win over enemy?  
 (a) Strategy (b) Management  
 (c) Execution (d) Monitoring
- 34.** Which strategy is used by companies to cope up with uncertain business environment?  
 (a) Proactive (b) Reactive  
 (c) Both (d) None of these
- 35.** 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
- 36.** Which of these seeks to relate the goals of organization to the means of achieving them?  
 (a) Strategy (b) Execution  
 (c) Monitoring (d) Management
- 37.** What is a unified, comprehensive & integrated plan designed to assure that basic objectives of enterprise are achieved?  
 (a) Strategy (b) Execution  
 (c) Monitoring (d) Management
- 38.** Corporate level of management does consists of:  
 (a) Board of directors (b) Chief Executive Officer  
 (c) corporate staff (d) All the above
- 39.** Who said that 'I believe we do a far better job of strategic management than any company I know?'  
 (a) Richard Cyert (b) Igor H. Ansoff  
 (c) William F. Glueck (d) Michal Porter
- 40.** Role of corporate level managers is to oversee development of strategies for:  
 (a) Departments (b) SBU  
 (c) Whole Organization (d) Division
- 41.** Which is not the objective of strategic management?  
 (a) To Create Competitive Advantage (b) To Guide Company Successfully  
 (c) To Create Ethics in employees (d) None of these
- 42.** Which of these basic questions should a vision statement answer?  
 (a) What is our business? (b) Who are our competitors?  
 (c) Where we are to go? (d) Why do we exist?
- 43.** Which of the following are successful hospital strategies that Hospitals today are providing?  
 (a) free-standing outpatient surgery centres (b) home health services  
 (c) women's medicine services (d) All of the above

- 44.** Which one is not the element of strategic intent?
- (a) Business model (b) Vision  
(c) Business definition (d) Business standard
- 45.** Statement that is typically focused on present business scope and broadly describes an organisation's present capabilities, customer focus, activities, and business makeup is:
- (a) Vision (b) Mission  
(c) Strategy (d) Goals
- 46.** Mission
- (a) is an internally-focused definition of the organisation's societal goals  
(b) is a statement of a firm's unique purpose and scope of operations  
(c) does not limit the firm by specifying the industry in which the firm intends to compete  
(d) is developed by a firm before the firm develops its strategic intent.
- 47.** 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)
- 48.** SK industries are analysing the technological forces for the firm which may provide it opportunities and threats for which of the following stage/s of the strategic management process?
- (a) Strategy formulation (b) Strategy implementation  
(c) Strategy evaluation (d) All of the above
- 49.** Members of SK, 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
- 50.** The philosophical base of strategic management falls within the concept of-
- (a) Strategic Intent (b) Portfolio Analysis  
(c) Globalisation (d) Vision Statement
- 51.** The strategic management process is:
- (a) a solution that guarantees prevention of organisational failure.  
(b) concerned with resources, capabilities, and competencies, but not the conditions in its external environment.  
(c) not to be used in not-for-profit organisations.  
(d) full set of commitments, decisions, and actions related to the firm

52. A strategic business unit is a grouping of \_\_\_\_\_ businesses.  
(a) unrelated (b) differentiated  
(c) related (d) None of these
53. Which of these implies blueprint of the company's future position & despite organization's aspirations?  
(a) Vision (b) Mission  
(c) Goals & Objectives (d) Business Model
54. Which is the end result that organization want to achieve?  
(a) Vision (b) Objectives  
(c) Mission (d) None of the above
55. To be a world class corporate constantly furthering interest of all its stakeholders" is vision of \_\_\_\_\_  
(a) Tata Motors (b) Reliance Industry  
(c) Microsoft (d) Amazon
56. Which is not the characteristic of objectives ?  
(a) Understandable (b) Challenging  
(c) Measurable (d) Uncontrollable
57. 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
58. Refers to purposes of what the organization strives for?  
(a) Strategic management (b) Strategic intent  
(c) Vision (d) Goals and objectives
59. Which of these delineates the firm's business, its goals & ways to reach goals?  
(a) Vision (b) Mission  
(c) Goals & Objectives (d) Business Model
60. Which is time-based measurable targets, which help in accomplishment of goals?  
(a) Business Model (b) Vision  
(c) Objectives (d) Mission
61. \_\_\_\_\_ can be understand as the philosophical base of strategic management.  
(a) Goals and objectives (b) Mission  
(c) Vision (d) Strategic intent

### Answer Key

1. (d)	2. (b)	3. (c)	4. (b)	5. (d)	6. (d)	7. (b)	8. (b)	9. (a)	10. (a)
11. (d)	12. (d)	13. (d)	14. (d)	15. (c)	16. (a)	17. (d)	18. (d)	19. (a)	20. (d)
21. (b)	22. (c)	23. (a)	24. (a)	25. (d)	26. (d)	27. (a)	28. (a)	29. (a)	30. (d)
31. (d)	32. (d)	33. (a)	34. (c)	35. (a)	36. (a)	37. (a)	38. (d)	39. (a)	40. (c)
41. (c)	42. (d)	43. (d)	44. (d)	45. (b)	46. (a)	47. (d)	48. (d)	49. (d)	50. (a)
51. (d)	52. (c)	53. (a)	54. (a)	55. (a)	56. (d)	57. (b)	58. (b)	59. (b)	60. (c)
61. (d)									



## MULTIPLE CHOICE QUESTIONS

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

8. The emphasis on product design is very high, the intensity of competition is low, and the market growth rate is low in the \_\_\_\_\_ stage of the industry life cycle.
- (a) Maturity (b) Introduction  
(c) Growth (d) Decline
9. Which of the following statements is not true:
- (a) Strategic environment is complex  
(b) Strategic environment is turbulent.  
(c) High cost of strategy makes them useless for charitable organisations.  
(d) public sector units should implement business strategy
10. During which stage of the Product Life Cycle will strategies like selective harvesting, retrenchment etc. may be adopted by company?
- (a) Decline (b) Growth  
(c) Maturity (d) Introduction
11. During which stage of the Product Life Cycle will marketing strategies need to concentrate on differentiating a product from competing products, building brand loyalty and offering incentives to attract competitor's customers to switch?
- (a) Decline (b) Growth  
(c) Maturity (d) Introduction
12. According to Porter, which of the following is important to achieve competitive advantage?
- (a) Differentiation and cost advantage.  
(b) Outsourcing activities.  
(c) Having strong relationships with buyers and sellers.  
(d) Focus on most competitive businesses
13. SK is a marketing consultancy business. SK's most recent corporate analysis has identified that three new businesses have recently entered its market and started aggressively targeting SK's key client. As part of SK's corporate analysis, these three new businesses would be a
- (a) Strength (b) Opportunity  
(c) Weakness (d) Threat
14. Which of the following is not part of external analysis:
- (a) Customer segments. (b) Organisational constraints.  
(c) Entry barriers. (d) Competitors
15. The purpose of logistics management is
- (a) Provide customer satisfaction  
(b) Create automation  
(c) Procure better quality raw material  
(d) Manage inward and outward movement of goods

16. Which is not the characteristic of globalization?
- (a) Conglomerate of multiple units (b) Common Pool of resources  
(c) Common Strategy (d) High Transpersonal Cost
17. Value chain analysis was originally introduced as an to shed light on the value-added task of separate activities.
- (a) Accounting Analysis (b) Portfolio Analysis  
(c) Controls Analysis (d) System Analysis
18. Which concepts exhibits the relationship of sales with respect of time for a product that passes through the four successive stages?
- (a) BCG (b) PLC  
(c) SWOT (d) ADL
19. \_\_\_\_\_ can be done using a set of concepts & techniques to get a clear picture on key industry traits.
- (a) Strategy analysis (b) Industry & Competitive Analysis  
(c) Value Chain Analysis (d) Portfolio Analysis
20. Competitive strategy of a firm evolves out of consideration of several factor that are \_\_\_\_\_ to it.
- (a) Unrelated (b) Managerial  
(c) Internal (d) External
21. Which will not be considered as a supporting activity?
- (a) Firm Infrastructure (b) HR Management  
(c) Inbound Logistic (d) Technology Development
22. In which stage of product life cycle the competition is negligible?
- (a) Introduction (b) Growth  
(c) Maturity (d) Decline
23. A for a firm is whatever it does Best.
- (a) Core Competency (b) Driving Forces  
(c) Key Success Factors (d) Concurrent Filters
24. \_\_\_\_\_ of a firm evolves out of consideration of several factors that are external to it.
- (a) Competitive Landscape (b) Strategic Analysis  
(c) Core Competence (d) Competitive Strategy
25. The objective competitive strategy is to generate
- (a) Generate Competitive Advantage (b) Increase Market Share  
(c) Beat Competition (d) All the above

26. Which of these will not be considered as primary activity?
- (a) Inbound Logistic (b) Marketing & Sales  
(c) Procurement (d) Service & Operation
27. Which of these are those things that most affect industry member's ability to prosper in marketplace?
- (a) Key Success Factors (b) Driving Forces  
(c) Core Identity Forces (d) Concurrent Filters
28. Capabilities that are valuable, rare, costly to imitate, & non-substitutable are \_\_\_\_\_ .
- (a) Core Competency (b) Driving Forces  
(c) Key Success Factors (d) Concurrent Filters
29. Competitive strategy consist of moves to.
- (a) Attract Customer (b) Withstand Competitive pressure  
(c) Strengthen market position (d) All the above
30. Companies often set to reduce high transformational cost in globalization.
- (a) Bearer Plant (b) Overseas plant  
(c) Domestic Plant (d) All the above
31. Which of these are the rules that shape whether a company will be financially & competitively successful?
- (a) Core Identity Forces (b) Driving Forces  
(c) Key Success Factors (d) Concurrent Filters
32. Which of the following is based on commonly observed phenomenon that unit costs decline as a firm accumulates experience in terms of a cumulative volume of production?
- (a) Experience Curve (b) Product Life Cycle  
(c) SWOT Analysis (d) Growth Share Matrix
33. \_\_\_\_\_ comes from a firm's ability to perform activities more effectively that its rivals.
- (a) Competitive Landscape (b) Competitive Advantage  
(c) Core Competence (d) Strategic Change
34. Most dominant forces are called **because they have biggest** influence.
- (a) Driving Forces (b) Dominant economic feature  
(c) Strategic Moves (d) Competitive Landscape
35. In which stage of product life cycle the sales & profit falls down sharply due to some new product replaces the existing product?
- (a) Introduction (b) Growth  
(c) Maturity (d) Decline

36. Which approaches has an advantage that it can be used to diagnose a portfolio of products in order to establish stage at which each of them exists?
- (a) Experience Curve (b) Product Life Cycle  
(c) SWOT Analysis (d) Growth Share Matrix
37. \_\_\_\_\_ is a business analysis which identifies competitors, either direct or indirect.
- (a) Competitive Landscape (b) Strategic Analysis  
(c) Core Competence (d) Competitive Strategy
38. Which of these refers to process of integration of world economy into one huge market.
- (a) Globalization (b) Privatization  
(c) Stratification (d) None of these
39. Which of these is a widely used means of describing activities within & around an organization & relating them to an assessment of competitive strength of an organization
- (a) Accounting Analysis (b) Portfolio Analysis  
(c) Controls Analysis (d) System Analysis
40. Which concept is also known as, S-Shaped' Curve?
- (a) PLC (b) BCG  
(c) ADL (d) SWOT
41. Which area of value chain transform various inputs into the final product or service?
- (a) Marketing & Sales (b) Procurement  
(c) Infrastructure (d) Operation
42. Which is meant about analyse competitors & at the same time, it permits the comprehension of their vision, mission, core values, niche market, strength & weakness?
- (a) Strategic Analysis (b) Core Competence  
(c) Competitive Landscape (d) Competitive Strategy
43. Which is a particularly important area of supportive activities in value chain that transcends all primary activities?
- (a) Procurement (b) Technology Development  
(c) Human Resources Manager (d) Infrastructure
44. Determine the correct stage of competitive landscape.
- (i) Put all information together  
(ii) Determine Strength & Weakness of competitors  
(iii) Understand the competitors  
(iv) Identify the competitors
- (a) (ii), (iv), (i), (iii) (b) (iii), (iv), (ii), (i)  
(c) (i), (iii), (ii), (iv) (d) (iv), (iii), (ii), (i)

45. Which of these is dynamic & uncertain?  
 (a) External Environment (b) Organization Analysis  
 (c) Both (a) & (b) (d) None of these
46. Which is not the major dimension of strategic decision making?  
 (a) Top management involvement (b) Commitment of organizational resources  
 (c) Future Oriented (d) Impact on short term prosperity of firm
47. Which of these consists of economic, social, technological, market & other forces which affect its functioning?  
 (a) External Environment (b) Organization Analysis  
 (c) Both (a) & (b) (d) None of these
48. Which is one of most effective & enduring conceptual frameworks used to assess nature of competitive environment & to describe an industry's structure?  
 (a) Porter's five forces (b) Generic Strategy  
 (c) Ansoff growth share matrix (d) General Electric Matrix
49. A large firm can produce high volumes of good at successively lower costs.  
 (a) Capital Requirement Barrier (b) Economic of scale Barrier  
 (c) Switching Cost Barrier (d) Brand Identity Barrier
50. Buyer bargaining power has leverage when \_\_\_\_ .  
 (a) Buyers have full knowledge (b) Buyers have invested a lot of money  
 (c) Buyers are more concentrated than firms (d) All the above
51. Assets of firm considering maybe highly specialized & therefore of little value to any other firm.  
 (a) Fixed Cost (b) Slow Growth  
 (c) Exit Barrier (d) Industry Leader
52. Who believes that basic unit of analysis for understanding is a group of competitors producing goods & services that compete directly with each other?  
 (a) Michal Porter (b) Igor H. Ansoff  
 (c) William F. Glueck (d) Richard Cyert
53. **The interrelationship among environment.**  
 (a) Strategies (b) Resources  
 (c) Controls (d) Porter's Five Forces
54. Which refers to physical or enhancements, that make a product special or unique in the eyes of customers?  
 (a) Product Differentiation (b) Economic of scale  
 (c) Switching Cost (d) Brand Identity

55. Suppliers bargaining power has leverage when.  
 (a) Substitutes are not available (b) High Switching Cost  
 (c) Sellers are more concentrated than buyers (d) All the above
56. Which of these is a powerful & 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 Electric Matrix
57. Michael Porter's strategy imply.  
 (a) Organizational arrangements (b) Control Procedure  
 (c) Incentive system (d) All the above
58. Which of these is not the element of five forces?  
 (a) Threats of new entrance (b) Bargaining power of buyer  
 (c) Threats of complimentary (d) Nature of industry rivalry
59. Buyers may need to test new firm's product, negotiable new purchase contracts, & train personnel to use **new equipment**.  
 (a) Handling Cost (b) Emergency Cost  
 (c) Switching Cost (d) Durability Cost
60. Rivalry among competitors tends to be cutthroat & industry profitability low when \_\_\_\_\_.  
 (a) Industry has no clear leader (b) Numerous competitors  
 (c) Face High exit barriers (d) All the above

### Answer Key

1. (c)	2. (d)	3. (a)	4. (a)	5. (c)	6. (b)	7. (c)	8. (b)	9. (c)	10. (a)
11. (c)	12. (a)	13. (d)	14. (b)	15. (d)	16. (d)	17. (a)	18. (b)	19. (b)	20. (d)
21. (c)	22. (a)	23. (c)	24. (d)	25. (d)	26. (c)	27. (a)	28. (a)	29. (d)	30. (b)
31. (c)	32. (a)	33. (b)	34. (a)	35. (d)	36. (a)	37. (a)	38. (a)	39. (a)	40. (a)
41. (d)	42. (c)	43. (c)	44. (d)	45. (a)	46. (d)	47. (a)	48. (a)	49. (b)	50. (d)
51. (c)	52. (a)	53. (d)	54. (a)	55. (d)	56. (a)	57. (d)	58. (c)	59. (c)	60. (d)

## MULTIPLE CHOICE QUESTIONS

- 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
- SWOT analysis is an evaluation of the organization's \_\_\_\_\_ strengths and weaknesses and its \_\_\_\_\_ opportunities and threats.  
(a) external; internal (b) internal; internal  
(c) external; external (d) internal; external
- External opportunities and threats are usually:  
(a) the minor cause of organizational demise or success  
(b) least important for CEOs and the board of directors  
(c) not as important as internal strengths and weaknesses  
(d) largely uncontrollable activities outside the organization
- The sustainability of competitive advantage and a firm's ability to earn profits from its competitive advantage depends upon:  
(a) Durability, reliability, transferability, approximately  
(b) Appropriability, durability, transferability, imitability  
(c) Transferability, imitability, reliability, approximately  
(d) Imitability, durability, reliability, appropriability
- Internal \_\_\_\_\_ are activities in an organization that are performed especially well.  
(a) Opportunities (b) Competencies  
(c) Strengths (d) Management
- 'Strategic group mapping' helps in-  
(a) Identifying the strongest rival companies  
(b) Identifying weakest rival companies  
(c) Identifying weakest and strongest rival companies  
(d) None of the above



7. In Michael Porter's generic strategy \_\_\_\_\_ emphasizes producing standardized products at a very low per unit-cost for consumers who are price sensitive.
- (a) Cheap leadership (b) Inferior product leadership  
(c) Cost leadership (d) Cost benefit
8. Differentiation Strategy can be achieved by following measures:
- (1) Match products with tastes and preferences of customers.  
(2) Elevate the performance of the product.  
(3) Rapid product innovation
- Which of the above is true:
- (a) (1) and (2) (b) (1) and (3)  
(c) (2) and (3) (d) (1), (2) and (3)
9. What are the three different bases given by Michael Porter's Generic Strategies to gain competitive advantage?
- (a) differentiation, integration and compensation  
(b) integration, focus and differentiation  
(c) compensation, integration and focus  
(d) cost leadership, differentiation and focus
10. A firm successfully implementing a differentiation strategy would expect:
- (a) Customers to be sensitive to price increases.  
(b) To charge premium prices.  
(c) Customers to perceive the product as standard.  
(d) To automatically have high levels of power over suppliers
11. A core competence is all except?
- (a) Valuable (b) Rare  
(c) Impossible to imitate (d) Non-substitutable
12. Anything that a firm does especially well compared to rival firms is referred to as \_\_\_\_.
- (a) Competitive advantage (b) Comparative advantage  
(c) Opportunity cost (d) Sustainable advantage
13. Marketing and Sales of Hindustan Unilever Limited and lowering of operating cost by Walmart are examples of what?
- (a) Competitive Advantage (b) Core Competency  
(c) Strategic Planning (d) Key Performance Indicators (KPIs)
14. SK, an organic farming expert, was consulting a group of farmers to build a sustainable brand of their corn produce. He suggested following the strategy of the biggest player in this business. Which of the following can be used to identify such a player?
- (a) BCG Matrix (b) ADL Matrix  
(c) Dominant Force Analysis of the Industry (d) Strategic Group Mapping

15. A \_\_\_\_\_ consists of those rival firms which have similar competitive approaches and positions in the market.
- (a) BCG Matrix. (b) Strategic group.  
(c) Strategy Map. (d) Industry.
16. According to C.K. Prahalad and Gary Hamel, major core competencies are identified in three areas - \_\_\_\_\_, \_\_\_\_\_, and application to other markets.
- (a) Competitor differentiation, customer value. (b) Competitor differentiation, focus.  
(c) Cost leadership, differentiation. (d) Profits, growth.
17. Which of the following is not true for core competency:
- (a) It distinguishes a company competitively.  
(b) It is a source of competitive advantage.  
(c) It is an individual skill and separate technique.  
(d) It is often visible in the form of organisational function
18. SK Mart an online marketplace where people from all over Delhi come and sell their goods is charging zero commission for listing goods but they take 1% of the sales per month from the seller. It is defined as?
- (a) Business Intent (b) Business Idea  
(c) Business Definition (d) Business Model
19. Michael Porter Generic strategies to gain competitive advantage include all except:
- (a) Cost leadership (b) Differentiation  
(c) Focus (d) Revenue generation
20. SK, a manufacturer of private helicopters, offers unique features that fulfil the demands of a narrow market. It competes in the market based on its uniqueness and custom-oriented private helicopters. SK provides a limited number of high-end helicopters with ultimate features. Which business strategy is being followed by SK?
- (a) Differentiation (b) Focused differentiation  
(c) Cost leadership (d) Focused cost leadership
21. DMart sells fast moving consumer goods at wholesale prices to retail customers, is this a strategy of?
- (a) Market Penetration (b) Cost Differentiation  
(c) Cost Leadership (d) Market Development
22. Best Cost provider strategies
- (a) Seek to attract buyers on the basis of charging low price for low quality  
(b) Aim at giving customers less value for more money  
(c) Seek to attract buyers on the basis of charging high price for high quality  
(d) Aim to giving customers low cost and better-quality

23. Best-cost provider strategy is related to providing customers more value for money by:
- (a) Highlighting low cost and low quality difference.
  - (b) Emphasizing low cost and better quality difference.
  - (c) Producing high cost and low quality differences.
  - (d) Managing high cost and low quality difference
24. Porter' cost leadership is a \_\_\_\_\_ strategy
- (a) Functional level
  - (b) Business level
  - (c) Corporate level
  - (d) Implementation
25. Competitive rivalry has the most effect on the firm's \_\_\_\_ strategies than the firm's other strategies.
- (a) Business level
  - (b) Corporate level
  - (c) Functional level
  - (d) All of these
26. SK Pharmaceuticals Limited manufactures a cough syrup SK. It has modified SK syrup, claiming that the SK cough syrup is sugar-free, and the consumer will not feel drowsiness after consuming this cough syrup. Consumers found this product to be unique. The sales of SK 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 SK Pharmaceuticals Limited.
- (a) Focus strategy
  - (b) Best cost provider strategy
  - (c) Differentiation strategy
  - (d) Cost leadership strategy
27. SK is a small company based in the Himalayan ranges in India. It is known in the region for its hill walking sticks. SK sell specialist walking equipment in their small shop at the foot of the mountains. They do not have a website yet are able to sell their products at premium prices. Which of the following one of Porter's generic strategies best fits SK?
- (a) Cost leadership
  - (b) Differentiation
  - (c) Focused cost leadership
  - (d) Focused differentiation
28. SK, a hearing aid manufacturer recently introduced an AI based management tool that has the capabilities of managing teams across functions. What could be their new organizational structure post this implementation?
- (a) Divisional Structure
  - (b) Matrix Structure
  - (c) Hourglass Structure
  - (d) Network Structure
29. A campaign advocating the message of 'save water' is:
- (a) Services Marketing
  - (b) Holistic marketing
  - (c) Social Marketing
  - (d) Direct Marketing
30. The process of creating, maintaining, and enhancing strong, value-laden relationships with customers and other stakeholder is:
- (a) Social marketing
  - (b) Augmented marketing
  - (c) Direct marketing
  - (d) Relationship marketing

31. The marketing strategy which is used to reduce or shift the demand is:
- (a) Enlightened Marketing (b) Synchro-Marketing  
(c) Place Marketing (d) Demarketing
32. Airlines providing special lounge access to loyal customers is a type of marketing?
- (a) Augmented Marketing (b) Direct Marketing  
(c) Relationship Marketing (d) Services Marketing
33. Which of these refers to period over which competitive advantage is sustained & which depends on rate at which firm's resources?
- (a) Durability (b) Transferability  
(c) Imitability (d) Appropriability
34. How many strategic group does an industry contains when all sellers pursue essentially identical strategies & have comparable market position?
- (a) More than 2 (b) Less than 10  
(c) Only One (d) None of these
35. Which area of core competencies provide a company an edge compared to competitors & allows company to provide better to market with no fear that competitor can imitate?
- (a) Competitor differentiation (b) Customer Value  
(c) Profitability of industry (d) Application to other market
36. Which strategy has its objective to increase market share, even by foregoing short-term earnings?
- (a) Build (b) Hold  
(c) Harvest (d) Divest
37. Types of distribution channels used to access \_\_\_\_ .
- (a) System (b) Control  
(c) Customer (d) Process
38. Which of these is meant that ability of rivals to attack position of competitive advantage relies on their gaining access to necessary resources & capabilities?
- (a) Durability (b) Transferability  
(c) Imitability (d) Appropriability
39. Determine the flow of creating the competitive advantage.
- (i) Assign the firms  
(ii) Plot firms on a two-variable map  
(iii) Identify competitive characteristic  
(iv) Draw circle around each strategic group
- (a) (i), (iii), (ii), (iv) (b) (ii), (i), (iv), (iii)  
(c) (iii), (ii), (i), (iv) (d) (iv), (i), (ii), (iii)

40. Which is not the characteristic of SWOT analysis?
- (a) Provides Logical framework (b) Helps in crafting strategy  
(c) Present a cooperative account (d) Guides in strategy identification
41. Which criteria of core competency is related with the capabilities that allows firm to exploit opportunity or avert threats in its external environment?
- (a) Valuable (b) Rare  
(c) Costly to Imitate (d) Non-substitutable
42. If you don't have a competitive advantage, don't compete', it is said by \_\_\_\_\_ .
- (a) Igor H. Ansoff (b) William F. Gluek  
(c) Jack Welch (d) Arthur D. Little
43. Which of these is a measurement through which value can be measured?
- (a) Price (b) Willing to pay  
(c) Cost (d) All the above
44. Which of the following is not the characteristic of competitive advantage?
- (a) appropriability (b) Transferability  
(c) Imitability (d) Tractability
45. The concept of the core competency was developed by \_\_\_\_\_ .
- (a) H.N. Prashad & F.W. Taylor (b) R.K. Narayan & Arthur D. Little  
(c) C.K. Prahalad & Gary Hamel (d) Ansoff & William F. Gluek
46. \_\_\_\_\_ are capabilities that serves as a source of competitive advantage for a firm over its rivals.
- (a) Concurrent Filters (b) Core competencies  
(c) Driving Forces (d) Core Identity Forces
47. Capabilities that do not have strategic equivalents are known as Capabilities.
- (a) Non-Substitutable (b) Valuable  
(c) Rare (d) Non-Imitable
48. Which of these is a unique feature of a company & its products that are perceived by the target market as significant & superior to the competition?
- (a) Strategic Leadership (b) Competitive Advantage  
(c) Strategic Intent (d) Competitive Landscape
49. Which of the following is unique feature of company & its products that are perceived by target market?
- (a) Strategic Leadership (b) Competitive Advantage  
(c) Strategic Intent (d) Globalization

50. Resources are foundation of \_\_\_\_\_ & unique bundle of \_\_\_\_\_ generate competitive advantage leading to wealth creation.
- (a) Resource, Plan (b) Strategy, Resource  
(c) Policies, Procedure (d) Resources, Capabilities
51. \_\_\_\_\_ is defined as a combination of skills & techniques rather than individual skill or separate technique.
- (a) Competency (b) Driving Force  
(c) Core Identity Force (d) Concurrent Filter
52. Firm is successful in achieving \_\_\_\_\_ only after other firm's effort to duplicate or imitate it are failed.
- (a) Strategic Leadership (b) Competitive Advantage  
(c) Strategic Intent (d) Competitive Landscape
53. Determine the flow of creating the competitive advantage.
- (i) Resources  
(ii) Competitive advantage  
(iii) capabilities
- (a) (i), (iii), (ii) (b) (ii), (i), (iii)  
(c) (iii), (ii), (i) (d) (i), (ii), (iii)
54. In industries where rate of \_\_\_\_\_ is fast, \_\_\_\_\_ are quite likely to become obsolete.
- (a) Product Innovation, Product Patents (b) Market Innovation, Firm's Name  
(c) Product Innovation, Firm's Name (d) Market Innovation, Product Patents
55. 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) PESTEL Analysis
56. Which is not the area identified in major core competencies?
- (a) Competitor differentiation (b) Customer Value  
(c) Profitability of industry (d) Application to other market
57. Which strategy is not suggested by Michael Porter?
- (a) Cost Leadership Strategy (b) Focused Strategy  
(c) Differentiation Strategy (d) None of these
58. Which strategies are the course of action adopted by organization to serve identified customer group & provide value to customer by satisfaction of their needs?
- (a) Corporate Level Strategy (b) Business Level Strategy  
(c) Functional Level Strategy (d) None of these

59. Which strategy aimed at producing products & services considered unique industrywide & directed at consumers who are relatively price incentive?
- (a) Cost Leadership (b) Differentiation  
(c) Focused strategy (d) None of these
60. Which is not the risk of pursuing cost leadership strategy?
- (a) Competitors may imitate the strategy  
(b) Technological breakthrough in industry  
(c) Buyers interest may swing to differentiating feature  
(d) Higher prize may lead to less demand of product
61. Which is the measure that could be adopted by an organization?
- (a) Selecting specific niches (b) Creating superior skills  
(c) Developing innovating ways (d) All the above
62. Firms must search for products that perform the same, or nearly the same, function as their existing products.
- (a) Threats of new entrance (b) Bargaining power of buyer  
(c) Threats of Substitutes (d) Nature of industry rivalry
63. Which means producing products & services that fulfil the needs of small groups of consumers who are relatively price-sensitive?
- (a) Cost Leadership (b) Differentiation  
(c) Focused strategy (d) None of these
64. Which action can be taken for achieving cost leadership strategy?
- (a) Forecast the demand promptly (b) Optimum utilization of resources  
(c) Resistance to differentiation (d) All the above
65. Which is measure for achieving differentiation strategy?
- (a) Elevate the performance of product (b) Rapid product innovation  
(c) Offer utility for customers (d) All the above
66. Which is not the advantage of focused strategy?
- (a) Premium Prize (b) Difficulty for competitors  
(c) Both (a) & (b) (d) None of these
67. Which refers the cost of customer to change the product & move to another's product?
- (a) Handling Cost (b) Emergency Cost  
(c) Switching Cost (d) Durability Cost
68. The more intensive the \_\_\_\_\_, the less attractive is the industry.
- (a) Rivalry (b) Controls  
(c) Strategy (d) Management

69. Which is the disadvantage of cost leadership strategy?
- (a) Technological changes (b) May not be remaining for longtime  
(c) Depend upon high sales volume (d) All the above
70. Which is not the disadvantage of differentiation?
- (a) Uniqueness is difficult to sustain (b) Charging Higher price  
(c) Not valued by customers (d) All the above
71. Which is the disadvantage of focused differentiation strategy?
- (a) Lacking in distinctive competencies (b) Higher cost of product/services  
(c) Niche could be Disappear (d) All the above
72. Product development is example of strategy that offers the advantage of \_\_\_\_\_ .
- (a) Cost Leadership (b) Differentiation  
(c) Focused (d) None of these
73. Which is depend on an industry segment that is of sufficient size, has good growth potential & is not crucial to success of other major competitors?
- (a) Cost Leadership (b) Differentiation  
(c) Focused Strategy (d) None of these
74. Which is not the way of best cost provider strategy?
- (a) Lower price with comparable feature (b) Similar price with more feature  
(c) Higher price with same feature (d) None of these
75. Which allows a firm when it is successful, to charge a higher price for its product & to customer loyalty?
- (a) Cost Leadership (b) Differentiation  
(c) Focused (d) None of these
76. Which strategy is most effective when consumers have distinctive preferences or requirement & rival firms are not attempting to specialize in same target segment?
- (a) Cost Leadership (b) Differentiation  
(c) Focused strategy (d) None of these
77. Which of these is a marketing philosophy holding that a company's marketing should support the best long-run performance of marketing system?
- (a) Concentrated Marketing (b) Differential Marketing  
(c) Enlightened Marketing (d) Synchro Marketing



### Answer Key

1. (b)	2. (d)	3. (d)	4. (b)	5. (c)	6. (c)	7. (c)	8. (d)	9. (d)	10. (b)
11. (c)	12. (a)	13. (b)	14. (d)	15. (b)	16. (a)	17. (c)	18. (d)	19. (d)	20. (b)
21. (c)	22. (d)	23. (b)	24. (b)	25. (a)	26. (c)	27. (d)	28. (b)	29. (c)	30. (d)
31. (b)	32. (c)	33. (a)	34. (c)	35. (a)	36. (a)	37. (c)	38. (b)	39. (c)	40. (b)
41. (a)	42. (c)	43. (b)	44. (d)	45. (c)	46. (b)	47. (a)	48. (b)	49. (b)	50. (b)
51. (a)	52. (b)	53. (a)	54. (a)	55. (a)	56. (c)	57. (d)	58. (b)	59. (b)	60. (d)
61. (d)	62. (c)	63. (c)	64. (d)	65. (d)	66. (d)	67. (c)	68. (a)	69. (d)	70. (d)
71. (d)	72. (b)	73. (c)	74. (c)	75. (b)	76. (c)	77. (c)			

## MULTIPLE CHOICE QUESTIONS

1. Which strategy is implemented after the failure of turnaround strategy?
  - (a) Expansion strategy
  - (b) Diversification strategy
  - (c) Divestment strategy
  - (d) Growth strategy
  
2. Retrenchment strategy in the organization can be explained as
  - (a) Reducing trenches (gaps) created between individuals.
  - (b) Divesting a major product line or market.
  - (c) Removal of employees from job through the process of reorganization.
  - (d) Removal of employees from job in one business to relocate them in other business
  
3. An organisation diversifies in backward sequence in the product chain and enters specific product/process to be used in existing products. It is:
  - (a) Forward diversification.
  - (b) Vertical diversification.
  - (c) Horizontal diversification.
  - (d) Reactive diversification.
  
4. Corporate strategy includes:
  - (i) expansion and growth, diversification, takeovers and mergers
  - (ii) Vertical and horizontal integration, new investment and divestment areas
  - (iii) determination of the business linesFrom the combinations given below select a correct alternative:
  - (a) (i) and (ii)
  - (b) (i) and (iii)
  - (c) (ii) and (iii)
  - (d) (i), (ii) and (iii)
  
5. Vertical integration may be beneficial when
  - (a) Lower transaction costs and improved coordination are vital and achievable through vertical integration.
  - (b) Flexibility is reduced, providing a more stationary position in the competitive environment.
  - (c) Various segregated specializations will be combined.
  - (d) The minimum efficient scales of two corporations are different.

6. 'Stability strategy is a \_\_\_\_\_ strategy.
- (a) SBU level (b) Corporate level  
(c) Business level (d) Functional level
7. Conglomerate diversification is another name for which of the following?
- (a) Related diversification (b) Unrelated diversification  
(c) Portfolio diversification (d) Acquisition diversification
8. Diversification primarily helps to:
- (a) Reduce competition (b) Reduce risk  
(c) Reduce taxes (d) Reduce costs
9. If suppliers are unreliable or too costly, which of these strategies may be appropriate?
- (a) Horizontal integration (b) Backward integration  
(c) Market penetration (d) Forward integration
10. The SK Clothing Company (SK) is a manufacturer of a wide range of clothing. Fashion is one of the five divisions of SK. Fashion is operating in a market with high growth and is a market leader. By next year, it is predicted to have 10% of the market share in a growing market. Fashion should be classified as either of the following according to the BCG matrix.
- (a) Star (b) Dog  
(c) Cash cow (d) Question Mark
11. A beverage company has more than 500 soft drink brands, but none of them is anywhere close to its premium brand One Sip in awareness, revenue and profits. As per BCG's Matrix, One Sip brand for the beverage company is?
- (a) Star (b) Dog  
(c) Cash cow (d) Question mark
12. SK Pvt Ltd has seventeen factories, nine of which they recently gave to other producers on lease. This has increased their cash inflows to a great extent, and they are enjoying this surplus by investing the same in financial assets. Such a strategy can be termed as which of the following?
- (a) Divest (b) Harvest  
(c) Hold (d) Build
13. In context to the BCG matrix, which of the following statements is not correct?
- (a) The BCG assumes that all products will grow and mature.  
(b) The BCG can be used to examine a company's current product portfolio  
(c) A company with only cash cows and dogs has limited long-term prospects.  
(d) All of the above
14. When there is impact of strategy implementation on strategy formulation it can be referred as?
- (a) Backward Linkages (b) Forward Linkages  
(c) Vertical Linkages (d) Horizontal Linkages

15. Mr. S was heading the Global Biscuits SBU for SK's Ltd. and he got an email congratulating him for being promoted as the head of the entire business of SK's in India. Which of the following statements is true about Mr. S's position?
- (a) Greg was a business level manager but now he is a corporate level manager
  - (b) Greg was a functional level manager but now he is a corporate level manager
  - (c) Greg was a business level manager and now also he is a business level manager
  - (d) Greg was a corporate level manager and now also he is a corporate level manager
16. Dogs in BCG Matrix be minimised through?
- (a) Converting to Cash Cows
  - (b) Liquidating or Divesting
  - (c) Foreign Direct Investment Opportunity
  - (d) Bad Debt Writing off
17. Which of the following is not a type of diversification strategy?
- (a) Vertical diversification.
  - (b) Concentric diversification.
  - (c) Conglomerate diversification.
  - (d) Co-generic diversification
18. Under BCG an SBU with products having little market share but in an attractive industry is referred to as:
- (a) Cash cow
  - (b) Star
  - (c) Dog
  - (d) Question mark
19. What will happen in case many new businesses enter a market?
- (a) Barriers to entry will rise.
  - (b) Competitive rivalry will intensify.
  - (c) Capacity of industry will fall.
  - (d) Industry will become more lucrative
20. An organisation acquiring its supplier is an example of:
- (a) Horizontal integrated diversification.
  - (b) Forward integrated diversification.
  - (c) Backward integrated diversification.
  - (d) Conglomerate diversification
21. Which of the following is not true for SBUs
- (a) It is relevant for multi-product, multi-business enterprises.
  - (b) It provides for more control at enterprise level with centralised strategic planning.
  - (c) A SBU has its own set of competitors.
  - (d) SBUs can be created for units at distant geographical locations.
22. Acquisition of another organisation that was using your product in their manufacturing is:
- (a) Horizontal integrated diversification
  - (b) Forward integrated diversification
  - (c) Backward integrated diversification
  - (d) conglomerate diversification
23. A tool by which management identifies and evaluates the various businesses that make up a company is termed as:
- (a) Value Chain Analysis
  - (b) Portfolio Analysis
  - (c) Competition Analysis
  - (d) Strategic Analysis

24. SK Ltd. has identified that all three of its main products are at the maturity phase of the product life cycle. Which of the following is SK Ltd. likely to be experiencing due to this?
- (a) High, but declining sales
  - (b) Growing numbers of competitors
  - (c) Product diversification and differentiation strategies
  - (d) Adoption of price skimming strategies
25. SK is a fast-food brand and has been facing a lot of competition from American brands and has decided to not go very aggressive but to just preserve market share? Which of the strategies SK is following?
- (a) Build
  - (b) Hold
  - (c) Harvest
  - (d) Divest
26. Strategy evaluation is difficult on account of following trends, except:
- (a) There is a dramatic increase in the environment's complexity.
  - (b) It is difficult to predict the future
  - (c) Firms have unlimited resources.
  - (d) Obsolescence is rapid.
27. Acquisition of a company producing readymade garments by a company manufacturing yarn is
- (a) Horizontal integration
  - (b) Horizontal Diversification
  - (c) Forward integration
  - (d) Backward integration
28. Which of the following can be used in a retrenchment strategy?
- (a) Reducing assets.
  - (b) Operational improvement.
  - (c) Cutting cost.
  - (d) All of the above.
29. Conglomerate diversification can also be explained as:
- (a) Merger
  - (b) Combination strategy
  - (c) Related diversification
  - (d) Unrelated diversification
31. When two organizations combine to increase their strength and financial gains along with reducing competition is called \_\_\_\_\_.
- (a) Hostile takeover
  - (b) Liquidation
  - (c) Merger
  - (d) Acquisition
32. SK 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 SK Company leading to lower inventory levels. Which strategy has SK Company adopted?
- (a) Backward integration
  - (b) Forward integration
  - (c) Conglomerate diversification
  - (d) Horizontal integrated diversification

34. SK was having a tough time with its operations and wanted to restructure itself from scratch. For this, they consult a veteran in business strategy, Mr. S, who post analysis of their business said, “your dead business is worth more than alive”. What did Mr. S hint at?
- (a) Restructuring Business (b) Liquidation  
(c) Business Process Re-engineering (d) Divestment
35. A rubber manufacturer starts making shoe soles and gum can be termed as?
- (a) Conglomerate Diversification (b) Concentric Diversification  
(c) Horizontal Integration (d) Vertical Integration
36. The business news anchor said that “SK’s dead business is worth more than alive”. What did she hint at?
- (a) Restructuring Business (b) Liquidation  
(c) Business Process Re-engineering (d) Divestment
38. Arrange divestment, liquidation, stability and turnaround strategies in order of preference for adoption by a typical organization.
- (a) Turnaround, stability, liquidation and divestment.  
(b) Divestment, liquidation, stability and turnaround.  
(c) Stability, turnaround, liquidation and divestment.  
(d) Stability, turnaround, divestment and liquidation
39. Supply chain refers to the linkages between:
- (a) Suppliers (b) Logistics  
(c) Customers (d) All the above
41. SK Limited is a full-service airline. The company is making the following decisions:
- (i) Should a ‘no-frills’, ‘low-fare’ subsidiary be set-up?  
(ii) If it is set-up, how should the cabin staff be recruited?  
Which of the above decisions will be taken by corporate level managers?
- (a) Only (i) (b) Only (ii)  
(c) (i) & (ii) (d) Neither (i) nor (ii)
42. A tea farm owners plan to open tea cafes in tourist spots and to sell their own premium tea to build a brand. Which of the following can this be termed as?
- (a) Backward Integration (b) Forward Integration  
(c) Diversification (d) Horizontal Integration
43. SK, a honey brand, decided to start a new brand for making honey ginger candies to meet the rising demand. Identify their growth strategy?
- (a) Conglomerate Diversification (b) Concentric Diversification  
(c) Vertical Integration (d) Horizontal Integration

44. Low cost, differentiation and focus are:
- (a) SBU level strategies (b) Corporate level strategies  
(c) Business level strategies (d) Functional level strategies
46. \_\_\_\_\_ is a to by which management identifies & evaluates the various businesses that make up the company.
- (a) Strategic Analysis (b) Portfolio Analysis  
(c) Market Analysis (d) System Analysis
47. Which of these are low-growth, high market share businesses/product, generate cash & have low costs?
- (a) Star (b) Cash-Cow  
(c) Question-Mark (d) Dog
48. Which of the following is the most risky strategy of Ansoff market product growth matrix?
- (a) Market Penetration (b) Market Development  
(c) Product Development (d) Diversification
49. 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) Stratified
50. Which can be defined as a technique that helps strategists in taking strategic decisions with regard to individual products or businesses in a firm's portfolio?
- (a) Strategic Analysis (b) Portfolio Analysis  
(c) Market Analysis (d) System Analysis
51. Which strategy has its objective of preserve market share?
- (a) Build (b) Hold  
(c) Harvest (d) Divest
52. Which of these is a portfolio analysis technique that is based on the product life cycle?
- (a) BCG Growth Matrix (b) Ansoff Growth Matrix  
(c) Arthur D. Little Matrix (d) General Electric Matrix
53. If a company's strategies result in superior performance it is said to have.
- (a) Core Competency (b) Strategic Analysis  
(c) Competitive Advantage (d) Value Creation
54. Which strategy has its objective to increase short term cash flows regardless of long-term earning?
- (a) Build (b) Hold  
(c) Harvest (d) Divest

55. Which position of ADL matrix is comparatively rare position & in many cases is attributable to a monopoly?
- (a) Dominant (b) Tenable  
(c) Favourable (d) Strong
56. Industry's economic feature & competitive structure revealed about its fundamental character & 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
57. The concept ADL Matrix is developed by\_\_\_\_\_.
- (a) Igor H. Ansoff (b) Willium F. Gluek  
(c) Heinz Weihrich (d) Arthur D. Little
58. Which strategy has its objective to sell or liquidate the business because resources can be better used elsewhere?
- (a) Build (b) Hold  
(c) Harvest (d) Divest
59. In which position of ADL, a firm has considerable degree of freedom over its choice of strategies & often able to act without its market position?
- (a) Dominant (b) Tenable  
(c) Favorable (d) Strong
60. Which of the following is also known as, Problem Child or Wild Cats?
- (a) Star (b) Cash-Cow  
(c) Question-Mark (d) Dog
61. Which of these refers to a growth strategy where he business focuses on selling existing products into existing markets?
- (a) Market Penetration (b) Market Development  
(c) Product Development (d) Diversification
62. Which position in ADL matrix generally comes about when industry is fragmented & no one competitor stand out clearly, result in market leaders a reasonable degree of freedom?
- (a) Dominant (b) Tenable  
(c) Favorable (d) Strong
63. Which of these is a simplest way to portray a corporation's portfolio of investment?
- (a) Ansoff's Growth Matrix (b) Product Life Cycle  
(c) SWOT Analysis (d) BCG Growth Share Matrix



64. Which of these require a lot of cash to hold their share & need heavy investment with low growth potential?  
 (a) Star (b) Cash-Cow  
 (c) Question-Mark (d) Dog
65. Which of these refers to a strategy where the business seeks to sell its existing products into new market & this can be achieved by new product packaging, distribution channel etc?  
 (a) Market Penetration (b) Market Development  
 (c) Product Development (d) Diversification
66. In which position of ADL matrix companies are generally vulnerable in the face of increased competition from stronger & more proactive companies in market?  
 (a) Dominant (b) Tenable  
 (c) Favorable (d) Strong
67. Which of these are products or SBU that are growing rapidly & also need heavy investment to maintain their position & finance their rapid growth potential?  
 (a) Star (b) Cash-Cow  
 (c) Question-Mark (d) Dog
68. Which of these are low-growth, low-share businesses & products that may generate enough cash to maintain themselves but do not have much future?  
 (a) Star (b) Cash-Cow  
 (c) Question-Mark (d) Dog
69. Which of these refers to a growth strategy where new products is market in new markets?  
 (a) Market Penetration (b) Market Development  
 (c) Product Development (d) Diversification
70. General Electric Matrix does not known as \_\_\_\_\_.  
 (a) Business Planning Matrix (b) Nine-Cell Matrix  
 (c) Electric Model (d) S-Shaped Curve

### Answer Key

1. (c)	2. (b)	3. (b)	4. (d)	5. (a)	6. (b)	7. (b)	8. (b)	9. (b)	10. (a)
11. (c)	12. (b)	13. (a)	14. (a)	15. (a)	16. (b)	17. (d)	18. (d)	19. (b)	20. (c)
21. (b)	22. (b)	23. (b)	24. (c)	25. (b)	26. (c)	27. (c)	28. (d)	29. (d)	30. (c)
31. (a)	32. (b)	33. (b)	34. (b)	35. (d)	36. (d)	37. (a)	38. (b)	39. (b)	40. (b)
41. (b)	42. (b)	43. (d)	44. (a)	45. (b)	46. (b)	47. (c)	48. (c)	49. (c)	50. (a)
51. (a)	52. (d)	53. (d)	54. (d)	55. (c)	56. (a)	57. (c)	58. (d)	59. (c)	60. (b)
61. (b)	62. (a)	63. (d)	64. (d)	65. (d)	66. (x)	67. (x)	68. (x)	69. (x)	70. (x)

## MULTIPLE CHOICE QUESTIONS

- \_\_\_\_\_ leadership style may be appropriate in turbulent environment.  
(a) Transactional (b) Transformational  
(c) Autocratic (d) None of these
- An organizational structure with constricted middle level is:  
(a) Divisional structure (b) Network structure  
(c) Hour Glass structure (d) Matrix structure
- 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
- Which of the following would be chosen by the core strategist to implement operational control:  
(a) Premise Control (b) Special Alert Control  
(c) Implementation Control (d) Budgetary Control
- Compliance, Identification and Internalization are the three processes involved in:  
(a) Refreezing (b) Defreezing  
(c) Changing behaviour patterns (d) Breaking down old attitudes
- Which one is NOT a type of strategic control?  
(a) Operational control (b) Strategic surveillance  
(c) Special alert control (d) Premise control
- SK Co. 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 SK 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

8. 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

9. SK, the owner of SK boutiques, delegated tasks as per the competencies of her team. What is she covering here?

- (a) Risk
- (b) Work Culture
- (c) Employee friendly vision
- (d) Proper use of mission statement

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

- (a) Strategy Formulation
- (b) Strategy Model
- (c) Strategy Implementation
- (d) Strategy Decision

11. Which of the following statements is not true about strategic decisions?

- (a) They need top-management involvement.
- (b) Involve commitment of organisational resources.
- (c) They are based on external environment
- (d) They have insignificant impact on the long-term prosperity

12. Who is a transformational leader?

- (a) Someone who is involved in organizational change.
- (b) A leader, who provides new ways of carrying out management.
- (c) A leader who inspires the workers to new levels by offering them a vision of a better future.
- (d) A leader who tries to transform their staff by giving them rewards for what they do.

13. Which of the following situations will most likely suit a transformational leader?

- (a) An organization that is in trouble.
- (b) A growing organization.
- (c) An organization in a stable environment.
- (d) An organization at the maturity stage of the product life cycle.

14. \_\_\_\_\_ leadership style may be appropriate in a turbulent environment.

- (a) Transactional
- (b) Transformational
- (c) Autocratic
- (d) None of these

15. A person who searched for business opportunity and starts a new enterprise to make use of that opportunity is called
- (a) Employee (b) Entrepreneur  
(c) Intrapreneur (d) Investor
16. Which of the following is more radical organization design and is also called as non-structure which virtually eliminates in-house business functions and outsources many of them?
- (a) Network structure (b) Strategic business unit  
(c) Hourglass structure (d) Simple structure
17. An entrepreneur is one who:
- (a) Initiates and innovates a new concept.  
(b) Does not recognize and utilizes opportunities.  
(c) Does not want to face risks and uncertainties.  
(d) None of these.
18. In strategic management, there are two main styles of leadership. These are transformational and:
- (a) Transparent (b) Transitional  
(c) Translational (d) Transactional
19. A corporation organized in network structure is often called
- (a) Virtual organization  
(b) Hierarchical organization  
(c) Structured organization  
(d) Simple organization
20. S and K have proposed three distinct phases for development of matrix structure. These phases are (1) Cross-functional task forces (2) Product/brand management and (3)\_\_\_\_\_.
- (a) Market/external management (b) Functional matrix  
(c) Mature matrix (d) Internal management
21. S, the owner of SK boutiques, wanted to reduce uncertainty of their business strategy for which she gathered a lot of information from peers, groups, industry reports and experts. But it did not give her comfort to take up new strategies. What tool can help her in this regard?
- (a) Risk Analysis (b) BCG Analysis  
(c) ADL Matrix (d) Scenario Analysis
22. SK, a western wear brand has contracted MK marketing firm from Singapore, product design team working as an outsource company from Mexico and Humans branding company taking care of its people's operations. What kind of structure is this?
- (a) Hourglass Structure (b) Outsourcing  
(c) Network Structure (d) Tree Branch Structure

23. SK, a social media marketing firm introduced an AI based management tool that has the capabilities of managing teams across functions all while being creative. What is the most likely organizational structure post this implementation?
- (a) Divisional (b) Matrix  
(c) Hourglass (d) Network
24. SK, a hearing aid manufacturer recently introduced an AI based management tool that has the capabilities of managing teams across functions. What could be their new organizational structure post this implementation?
- (a) Divisional Structure (b) Matrix Structure  
(c) Hourglass Structure (d) Network Structure
25. Corporate culture refers to:
- (a) Company's values and beliefs (b) Company's business principles  
(c) Internal work environment (d) All the above
26. Which of the following is not a phase in Kurt Lewin's Model of Change?
- (a) Changing (b) Deep freezing  
(c) Refreezing (d) Unfreezing
27. After an earnest attempt to bring in a strategic change in your organization, you, the operational head of SK ltd, succeeded but still your organization couldn't achieve the desired competitive position in the market. Out of the following what could be the reason?
- (a) Strategy Formulation (b) Strategy Model  
(c) Strategy Implementation (d) Strategy Decision
28. SK Limited is a health provider and has only large, edge of town hospitals. It is considering setting-up additional small city center 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 (4) (b) (2) & (4)  
(c) (1), (2) & (4) (d) (1), (2), (3) & (4)
29. Generally, result of strategic implementation are seen on which basis?
- (a) Short-term (b) Long term  
(c) Both (a) & (b) (d) None of these
30. Which of these is the expression of growth ambition of the firm?
- (a) Strategic Vision (b) Corporate Mission  
(c) Business Definition (d) Goals & Objective

- 31.** Which is the heart & soul of managing a business enterprise?  
 (a) Crafting & Executing strategy (b) Analysis of risk & Control  
 (c) Monitoring & Testing (d) Redefine Business Process
- 32.** \_\_\_\_\_ means deciding what need to done in future & generating blueprint for action?  
 (a) Implementation (b) Monitoring  
 (c) Planning (d) Programing
- 33.** Which of these are central to strategic planning?  
 (a) Vision & Mission (b) Mission & Business Definition  
 (c) Goals & Objectives (d) Business Model & Definition
- 34.** Which of these serves as justification for the firm's very presence & existence?  
 (a) Strategic Vision (b) Corporate Mission  
 (c) Business Definition (d) Goals & Objective
- 35.** By spelling out management indicates speed at which longer-range targets are to be approached?  
 (a) Annual Performance Targets (b) Measurable short-term targets  
 (c) Qualitative Long-term targets (d) Quantitative time-based targets
- 36.** Which of these provides the basis for major decision of the firm & also said the organizational performance to be realized at each level?  
 (a) Objectives (b) Mission  
 (c) Business Model (d) Strategic vision
- 37.** Which is not the stage of strategic management?  
 (a) Strategic Vision, Mission & Objectives (b) Environmental & Organizational Analysis  
 (c) Strategic Evolution & Control (d) Analysis of Risk & Control
- 38.** Which is not involved in organizational analysis?  
 (a) Technological resources (b) Productive Capacity  
 (c) Social Effect (d) Research & development
- 39.** Which of these involves determination of the course of action to attain the predetermined objectives?  
 (a) Implementation (b) Monitoring  
 (c) Planning (d) Programming

**Answer Key**

<b>1.</b> (b)	<b>2.</b> (c)	<b>3.</b> (b)	<b>4.</b> (d)	<b>5.</b> (c)	<b>6.</b> (a)	<b>7.</b> (d)	<b>8.</b> (b)	<b>9.</b> (d)	<b>10.</b> (c)
<b>11.</b> (d)	<b>12.</b> (c)	<b>13.</b> (a)	<b>14.</b> (b)	<b>15.</b> (b)	<b>16.</b> (a)	<b>17.</b> (a)	<b>18.</b> (d)	<b>19.</b> (a)	<b>20.</b> (c)
<b>21.</b> (d)	<b>22.</b> (c)	<b>23.</b> (c)	<b>24.</b> (c)	<b>25.</b> (d)	<b>26.</b> (c)	<b>27.</b> (c)	<b>28.</b> (d)	<b>29.</b> (b)	<b>30.</b> (b)
<b>31.</b> (a)	<b>32.</b> (c)	<b>33.</b> (b)	<b>34.</b> (b)	<b>35.</b> (a)	<b>36.</b> (d)	<b>37.</b> (d)	<b>38.</b> (c)	<b>39.</b> (c)	