

## **STRATEGIC MANAGEMENT**

### **SUBJECTIVE QUESTIONS AND MCQ'S**

1. Bring out the differences between concentric diversification and conglomerate diversification. How would you evaluate the two as strategic alternatives?
2. Differentiate between horizontal and vertical growth strategy. How do they differ from concentric diversification? How do you craft a strategy for competitive advantage? Give an instance.
3. How do you formulate a strategy at corporate level? Explain it with an example.
4. "Resource Allocation as a vital part of strategy" why this is vital? What are planning systems for implementation of strategy?
5. Write about the Role of the strategist in evaluation and control of strategic management. Also, make the best your of SWOT and PESTEL analysis in your explanation using examples of your choice.
6. Compare and contrast vertical integration and conglomerate diversification strategies. Define strategic control. Explain the guidelines for effective strategic control using examples of your own.
7. What is the difference between internal and external environment? Explain the concept of competitive advantage. Discuss the frame work of industry analysis using examples of MNC's.
8. Write about the differences between SWOT Analysis and TOWS Matrix. Explain the concept and application of Organizational analysis, and the value chain analysis using examples for each.
9. Define Strategy. How do you consider that strategic management is a process? Corporate planning is not synonymous with long range planning." Why? Discuss.
10. Explain about kind of factors that shape a company's strategy. 4. What is environmental scanning? Write about its underlying factors. Differentiate mission and objectives of an organization. How do you formulate the goals of a manufacturing organization?

### **MULTIPLE CHOICE QUESTIONS**

1. The term strategy is derived from a word 'strategos' a. Latin b. Greek c. Chinese d. German Answer: b
2. The term strategy is derived from the word 'strategos' which means a. Tactics b. Leadership c. General ship d. Management Answer: c
3. Strategic management does not involve a. setting objectives b. analysing the competitive environment, c. analysing the internal organization d. Analysing the external organization Answer: d
4. Ensures that management rolls out the strategies across the organization is the role of a. HR Department b. Operations Management c. Strategic Management d. All of the above Answer: c

5. Strategic management is the management of an organization's resources to achieve its
  - a. Profit
  - b. Goals and objectives.
  - c. Market Share
  - d. Competitive Advantage
 Answer: B
6. Different levels of strategic decision making and strategy formulation in any organization Does not include
  - a. financial
  - b. Corporate
  - c. Functional
  - d. Business
 Answer: a
7. is the strategy which includes Board of Directors and the Chief Executive officer, is responsible for the organization's financial performance and other non-financial goals
  - a. Business
  - b. Functional
  - c. corporate
  - d. Financial
 Answer: c
8. Which of the following doesn't describe Corporate Strategy
  - a. what business or businesses should we be in
  - b. How does the parent company add value to its subsidiaries
  - c. How does being in one business help us compete in other businesses
  - d. How should we compete in other business
 Answer: d
9. Different levels of strategic decision making and strategy formulation in any organization include
  - a. Corporate Level and Business Level
  - b. Corporate Level and Functional Level
  - c. Business Level and Functional Level
  - d. Corporate, Business and Functional Level
 Answer: d
10. Which of the following does not include the characteristics of Strategic Management?
  - a. Reactive
  - b. Multidimensional
  - c. Systematic
  - d. Dynamic
 Answer: a
11. Which of the following denotes the characteristics of Strategic Management?
  - a. Decentralization
  - b. Wide-span of management
  - c. Searching for new sources of advantage
  - d. Multi operational
 Answer: c
12. The role of stakeholders includes
  - a. Direct Management
  - b. Decision Making
  - c. Investments
  - d. All of the above
 Answer: d
13. The process of strategic management is a/an One that changes as the organizational goals and objectives evolve
  - a. Continuous
  - b. Interesting
  - c. Systematic
  - d. Stable
 Answer: a
14. Which of the following defines what business or businesses the firm is in or should be in?
  - a. Business strategy
  - b. Corporate strategy
  - c. Functional strategy
  - d. National strategy
 Answer: b
15. Which of the following defines how each individual business unit will attempt to achieve its mission?
  - a. Business strategy
  - b. Corporate strategy
  - c. Functional strategy
  - d. National strategy
 Answer: a
16. Which of the following focuses on supporting the corporate and business strategies?
  - a. Competitive strategy
  - b. Corporate strategy
  - c. Operational strategy
  - d. National strategy
  - e. Mission strategy
 Answer: c
17. Which one of the following is not a primary task of strategic managers?
  - a. Establishing strategic objectives
  - b. Developing the steps to follow in implementing operational level plans
  - c. Defining the business and developing a mission
  - d. Developing a strategy
 Answer: b
18. The task of strategy choice involves:
  - a. developing plans and activities which will improve the organisation's performance and competitive position
  - b. determining how the organisation can be more market and efficiency oriented
  - c. monitoring whether the

organisation is achieving good financial performance d. keeping the organisation free of debt Answer: a

19. Which one of the following is at the core of strategic management? a. Choosing which organisational objectives to focus on b. Being alert for opportunities to change work responsibilities c. Adapting the organisation to a changing external environment d. Choosing whether to make decisions autocratically or on the basis of participation

Answer: c

20. The corporate level is where top management directs: a. all employees for orientation b. its efforts to stabilize recruitment needs c. overall strategy for the entire organization d. overall sales projections Answer: c

21. The three organizational levels are: a. corporate level, business level, functional level b. corporate level, business unit level, functional level c. corporate strategy level, business unit level, functional level d. corporate strategy level, business level, specialist level Answer: a

22. Which of the following is an example of competing on quick response? a. a firm produces its product with less raw material waste than its competitors b. a firm offers more reliable products than its competitors c. a firm's products are introduced into the market faster than its competitors' d. a firm's research and development department generates many ideas for new products Answer: c

23. Which one of the following is NOT included in the Porter's Five Forces model: a. Potential development of substitute products b. Bargaining power of suppliers c. Rivalry among stockholders d. Rivalry among competing firms Answer: c

24. What is meant by the term 'Stakeholder'? a. A person who is not related with a business. b. A person who is related with a business. c. A person who owns a business. d. A person who purchases the shares of a business. Answer: b

25. Of the following, which one would NOT be considered one of the components of a mission statement? a. The target market for XYZ is oil and gas producers as well as producers of chemicals. b. XYZ shall hire only those individuals who have with sufficient educational levels so as to be of benefit to our customers c. The customers of XYZ shall include global and local consumers of gas and oil products and domestic users of nontoxic chemicals d. The technologies utilized by XYZ shall focus upon development of alternative sources of gas and oil so as to remain competitive within the industry Answer: b

26. The strategic management process is a. A set of activities that will assure a temporary advantage and average returns for the firm. b. A decision-making activity concerned with a firm's internal resources, capabilities, and competencies, independent of the conditions in its external environment. c. A process directed by top-management with input from other stakeholders that seeks to achieve above-average returns for investors through effective use of the organization's resources. d. The full set of commitments, decisions, and actions required for the firm to achieve above-average returns and strategic competitiveness. Answer: d

27. The goal of the organization's is to capture the hearts and minds of employees, challenge them, and evoke their emotions and dreams. a. vision b. mission c. culture d. strategy Answer: a

28. A firm's mission a. Is a statement of a firm's business in which it intends to compete and the customers which it intends to serve. b. Is an internally focused affirmation of the organization's financial, social, and ethical goals. c. Is mainly intended to emotionally inspire employees and other stakeholders. d. Is developed by a firm before the firm develops its vision. Answer: a

29. The environmental segments that comprise the general environment typically will NOT include a. Demographic factors. b. sociocultural factors. c. Substitute products or services. d. Technological factors. Answer: c

30. An analysis of the economic segment of the external environment would include all of the following EXCEPT a. Interest rates. b. international trade. c. The strength of the U.S. dollar. d. The move toward a contingent workforce. Answer: d