Greenly
Greenley
Greenwich

Question # 16 of 20 (Start time: 08:17:29 PM) Total Marks: 1
IE matrix is based on which dimensions?
Select correct option:

Market share and industry growth
Financial strength and industry strength
Weighed scores of IFE and EFE matrices
Market growth and competitive position

Question # 17 of 20 (Start time: 08:17:52 PM) Total Marks: 1
Which one of the following is not an approach to resolve conflicts?
Select correct option:

Avoidance
Diffusion
Confrontation
Ignorance

Question # 18 of 20 (Start time: 08:18:23 PM) Total Marks: 1
A & C Corporation currently possesses a low share of its available market. Moreover, this company's portfolio reveals it has extremely low market growth. A & C Corporation is most likely to be classed as which one of the following?
Select correct option:

Dog
Question mark
Star
Cash cow

Question # 19 of 20 (Start time: 08:18:42 PM) Total Marks: 1
Which of the following is an example of Intensive strategies?
Select correct option:

Conglomerate strategy
Forward integration
Market penetration
Retrenchment

Question # 20 of 20 (Start time: 08:19:12 PM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Composed & Solved
Dua Waqar
Vu Askari Team
www.vuaskari.com

Defensive strategies include all of the following EXCEPT:
Select correct option:

Retrenchment
Acquisition
Divestiture
Liquidation

Question # 1 of 20 (Start time: 08:21:54 PM) Total Marks: 1
Input stage of strategy-formulation framework includes developing which of the following set of strategies?
Select correct option:

IFE, EFE and QSPM Matrix
IFE, IE and BCG Matrix
IFE, CPM and EFE Matrix
EFE, IE and CPM Matrix

Question # 2 of 20 (Start time: 08:22:53 PM) Total Marks: 1
Which one of the following is the most dramatic new market segmentation strategy?
Select correct option:

Targeting on Geographic variables
Targeting of regional tastes
Targeting on Behavioral variables
Targeting on gender and age

Question # 3 of 20 (Start time: 08:23:04 PM) Total Marks: 1
Availability of existing substitute products can increase which of the following?
Select correct option:

The bargaining power of customers
The bargaining power of suppliers
The threat of new entrants
The threat of substitute products

When a merger or acquisition is not desired
Question # 5 of 20 (Start time: 08:23:34 PM) Total Marks: 1
Which of the following is an example of Intensive strategies?
Select correct option:

Conglomerate strategy

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Forward integration
Market penetration
Retrenchment

Question # 6 of 20 (Start time: 08:23:54 PM) Total Marks: 1
All of the following statements are true about a firm's mission statement EXPECT:
Select correct option:

A mission statement does not directly contribute positively to financial performance.
A mission statement directly contributes positively to financial performance.
A mission statement should not provide useful criteria for selecting among alternative strategies.
Primary reason to develop a mission statement is not to attract the customers

Question # 7 of 20 (Start time: 08:24:28 PM) Total Marks: 1
Which of the following best describes this statement; "a Systematic and ethical process for gathering and analyzing information about the competition's activities and general business trends to further a business' own goals"?
Select correct option:

External assessment
Industry analysis
Competitive intelligence program
Business ethics

Question # 8 of 20 (Start time: 08:25:00 PM) Total Marks: 1
Which one of the following is NOT a basic mission of a competitive intelligence program?
Select correct option:

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

Question # 9 of 20 (Start time: 08:25:32 PM) Total Marks: 1
Principles of conduct that guide decision-making are known as:
Select correct option:

Human rights
Business ethics
The constitution

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Social responsibility

Question # 10 of 20 (Start time: 08:25:42 PM) Total Marks: 1
"Other than ranking strategies to achieve the prioritized list, there is only one analytical technique which is designed to determine the relative attractiveness of feasible alternative actions". This technique is known as:
Select correct option:

SPACE
QSPM
IFE
CPM

Question # 11 of 20 (Start time: 08:26:40 PM) Total Marks: 1
Which of the following is NOT included in SWOT Matrix?
Select correct option:

Matching strengths and threats
Matching weaknesses and threats
Matching weaknesses and opportunities
Matching weaknesses and strengths

Question # 12 of 20 (Start time: 08:26:52 PM) Total Marks: 1
What is a central strategy-implementation technique that allows an organization to examine the expected results of various actions and approaches?
Select correct option:

Financial budgeting
TOWS analysis
Projected financial statement
External analysis

Question # 13 of 20 (Start time: 08:27:23 PM) Total Marks: 1
All of the following are Porter's Generic Strategies EXCEPT:
Select correct option:

Differentiation
Hybrid
Cost leadership
Focus

Question # 14 of 20 (Start time: 08:27:52 PM) Total Marks: 1
Choose the economic variable from the list.

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Select correct option:

Attitudes toward business
Attitudes toward product quality
Population changes by race
Stock market trends

Question # 15 of 20 (Start time: 08:28:17 PM) Total Marks: 1
Which of the following is best identified as a statement that presents "a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive"?
Select correct option:

Corporate philosophy statement
Company creed
Vision statement
Mission statement

Question # 16 of 20 (Start time: 08:28:29 PM) Total Marks: 1
The SMART goal criteria 'Relevant' suggests which one of the following?
Select correct option:

Are you able to assess your progress?
Do you know exactly what you want to accomplish?
Is your goal relevant towards your purpose in life?
What is the deadline for completing your goal?

Question # 17 of 20 (Start time: 08:28:39 PM) Total Marks: 1
A chance for advancement, progress or profit prevailing in external environment of a company is known as:
Select correct option:

Strength
Weakness
Opportunity
Threat

Question # 18 of 20 (Start time: 08:28:51 PM) Total Marks: 1
ABC Corporation can have competitive advantage over its competitor by taking all of the following actions EXCEPT:
Select correct option:

By increasing product quality

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

By having debt/equity ratio equals to 1
By altering product life cycle
By increasing customer base

Question # 19 of 20 (Start time: 08:29:17 PM) Total Marks: 1
What is the systematic gathering, recording, and analyzing of data about problems relating to the marketing of goods and services?
Select correct option:

Management
Planning
Marketing Research
Market segmentation

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

MGT603 Online Quiz#2..Lecture#1 to 18.. Solved By Hafiz Salman Majeed…

Question # 13 of 20 (Start time: 05:43:44 PM) Total Marks: 1
Strategy formulation stage includes all of the following EXCEPT:
Select correct option:

Vision and mission
Strength and weakness
Opportunities and threats
Annual objectives

Question # 16 of 20 (Start time: 05:44:35 PM) Total Marks: 1
All of the following would represent possible threats to the ABC Company EXCEPT which one of the following?
Select correct option:

Entrance of new competitors
Improved buyer or supplier relationships
New or revised regulations
Slow industry/market growth

Question # 20 of 20 (Start time: 05:46:00 PM) Total Marks: 1
Exclusive access to high grade natural resources is an example of which of the following?
Select correct option:

Strength
Weakness
Opportunity
Threat

Question # 10 of 20 (Start time: 05:52:41 PM) Total Marks: 1
Which of the following environment includes all those factors which affect the organization and itself affected by the organization?
Select correct option:

External environment
Social environment
Task environment
Internal environment

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Question # 19 of 20 (Start time: 05:54:44 PM) Total Marks: 1
Which of the followings deals with the management of inputs, transformations and outputs that vary across industries and markets?
Select correct option:

Marketing
Finance
Operations
Distribution

Question # 7 of 20 (Start time: 06:02:40 PM) Total Marks: 1
Intuition is based on all of the following factors EXCEPT:
Select correct option:

Past experiences
Judgments
Uncertainties
Feelings

Question # 8 of 20 (Start time: 06:03:07 PM) Total Marks: 1
In adapting to change an organization must monitor which of the following?
Select correct option:

Ongoing processes
Internal and external events
Timely changes
All of the given options

Question # 14 of 20 (Start time: 06:04:35 PM) Total Marks: 1
All of the following statements are true about a firm's mission statement EXPECT:
Select correct option:

A mission statement does not directly contribute positively to financial performance.
A mission statement directly contributes positively to financial performance.
A mission statement should not provide useful criteria for selecting among alternative strategies.
Primary reason to develop a mission statement is not to attract the customers

Question # 15 of 20 (Start time: 06:05:08 PM) Total Marks: 1
Which of the following is an example of a narrow mission?
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

We sell packaged pineapples
The firm deals in beverages
Stationery is our product
Company manufactures food items

Question # 9 of 20 (Start time: 06:09:32 PM) Total Marks: 1
Which of the following statement is TRUE about a Vision statement of a company?
Select correct option:

It concentrates on future
It defines the customers
It identify critical processes
It informs about the desired level of performance

Question # 12 of 20 (Start time: 06:10:24 PM) Total Marks: 1
Which of the following is best identified as a statement that presents "a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive"?
Select correct option:

Corporate philosophy statement
Company creed
Vision statement
Mission statement

Question # 5 of 20 (Start time: 06:20:51 PM) Total Marks: 1
All of the following fall under Pricing decisions EXCEPT:
Select correct option:

Discounts
Credit terms
Markups
Dealer relations

Question # 5 of 20 (Start time: 06:27:20 PM) Total Marks: 1
Financial ratios are helpful in analyzing the relationship among which of the following?
Select correct option:

All assets and liabilities
Profits and costs
All functional areas of business
Sales and profitability

Question # 11 of 20 (Start time: 03:31:39 PM) Total Marks: 1

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Which of the following refers to the belief related to objectives setting that "the true measure of a really good strategist is the ability to solve problems"?
Select correct option:

Managing by objectives
Managing by extrapolation
Managing by crisis
Managing by subjectives

Question # 14 of 20 (Start time: 03:32:12 PM) Total Marks: 1
A system of several rites connected with a single occasion or event is known as:
Select correct option:

Myth
Ceremonial
Saga
Legend

Question # 19 of 20 (Start time: 03:33:06 PM) Total Marks: 1
Which category of ratios measures a firm's ability to meet maturing short-term obligations?
Select correct option:

Profitability
Leverage
Liquidity
Activity

Question # 1 of 20 (Start time: 02:20:42 AM) Total Marks: 1
Which of the following directs at developing new products before competitors do at improving product quality or at improving manufacturing processes to reduce costs?
Select correct option:

Marketing
Opportunity analysis
Research and development
Management

Question # 2 of 20 (Start time: 02:21:46 AM) Total Marks: 1
All of the following are the outputs of a system EXCEPT:
Select correct option:

Tables

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Charts
Data
Graphs

Question # 3 of 20 (Start time: 02:22:28 AM) Total Marks: 1
Defensive strategies include all of the following EXCEPT:
Select correct option:

Retrenchment
Acquisition
Divestiture
Liquidation

Question # 5 of 20 (Start time: 02:23:11 AM) Total Marks: 1
The XYZ Organization has a statement that describes the needs for which the organization was created to fill and answers the basic question of why the organization exists. XYZ is most likely to have any one of the following?
Select correct option:

Strategy
Vision statement
Mission statement
Functional tactics

Question # 6 of 20 (Start time: 02:23:23 AM) Total Marks: 1
Which group would be classified as a stakeholder?
Select correct option:

Communities
Banks
Suppliers
All of the given options

Question # 7 of 20 (Start time: 02:23:31 AM) Total Marks: 1
Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company's future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Question # 8 of 20 (Start time: 02:23:43 AM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Opportunity analysis is one of the basic functions of which one of the following?
Select correct option:

Computer information systems
Marketing
Production/operations
Research and development

Question # 9 of 20 (Start time: 02:24:53 AM) Total Marks: 1
Which of the following identified that "strategic management encourages forward thinking, favorable attitudes towards change and discipline to the management of business"?
Select correct option:

Greeley
Greenly
Greenley
Greenwich

Question # 10 of 20 (Start time: 02:26:00 AM) Total Marks: 1
Financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Progression in profitability
Improvement in employee productivity
Expansion in the sales of business
Enhancement in productivity

Question # 11 of 20 (Start time: 02:26:23 AM) Total Marks: 1
The organizations that conduct business operations across national borders are known as which of the following?
Select correct option:

Domestic firms
Multinational corporations
Parent companies
Franchises

Question # 12 of 20 (Start time: 02:26:38 AM) Total Marks: 1
Lack of access to key distribution channel indicates which of the following?
Select correct option:

Strength

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Weakness
Opportunity
Threat

Question # 13 of 20 (Start time: 02:27:41 AM) Total Marks: 1
Which of the following is NOT a characteristic of well-constructed goals?
Select correct option:

Address important issues
Easy to remember
Precise and measurable
Challenging but realistic

Question # 14 of 20 (Start time: 02:27:59 AM) Total Marks: 1
Principles of conduct that guide decision-making are known as:
Select correct option:

Human rights
Business ethics
The constitution
Social responsibility

Question # 15 of 20 (Start time: 02:28:17 AM) Total Marks: 1
Which of the following decisions determine the amount of funds that are retained in a firm compared to the amount paid out to stockholders?
Select correct option:

Financing
Investment
Capital
Dividend

Question # 16 of 20 (Start time: 02:29:04 AM) Total Marks: 1
What is the systematic gathering, recording, and analyzing of data about problems relating to the marketing of goods and services?
Select correct option:

Management
Planning
Marketing Research
Market segmentation

Question # 17 of 20 (Start time: 02:29:44 AM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Where an organization takes into account the effect of its strategic decisions on the society, the firm is taking care of which of these?
Select correct option:

Corporate governance
Business policy
Business ethics
Social policy

Question # 18 of 20 (Start time: 02:30:08 AM) Total Marks: 1
Which of the follwoing term represents the enduring statement of purpose that distinguish one business from other similar firms?
Select correct option:

Vision
Strategy
Mission
Tactics

Question # 19 of 20 (Start time: 02:30:25 AM) Total Marks: 1
Which of the following are the factors that concern the nature and direction of the economy in which a firm operates?
Select correct option:

Technological
Ecological
Social
Economic

Question # 20 of 20 (Start time: 02:30:40 AM) Total Marks: 1
Local, state, and national elections, world oil, currency, and labor markets, number of patents, special tariffs are the examples of which one of the following?
Select correct option:

Economic forces
Social, cultural and, demographic forces
Political, governmental, and legal forces
Competitive forces

Question # 1 of 20 (Start time: 02:47:34 AM) Total Marks: 1
All of the following are the basic functions of marketing EXCEPT:
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Selling products/services
Product and service planning
Marketing research
Arranging for finance

Question # 2 of 20 (Start time: 02:48:01 AM) Total Marks: 1
Which of the following is the benefit of strategic management?
Select correct option:

Fewer complexes
More complex
Less static
More profitable

Question # 3 of 20 (Start time: 02:48:08 AM) Total Marks: 1
The analysis of industry's major competitors' strengths may give an insight of which one of these?
Select correct option:

Key threats for the firm
Key opportunities for the firm
Both opportunities and strengths for the firm
None of the given options

Question # 4 of 20 (Start time: 02:48:22 AM) Total Marks: 1
Which of the following is the process of influencing people to accomplish specific objectives?
Select correct option:

Staffing
Motivating
Controlling
Organizing

Question # 5 of 20 (Start time: 02:49:13 AM) Total Marks: 1
"A Good mission statement identifies the utility of a firm's products to its customers"; which of the following represents this statement?
Select correct option:

Organization's philosophy
Customer orientation
Social policy
Declaration of attitude

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Question # 6 of 20 (Start time: 02:49:30 AM) Total Marks: 1
Which category of ratios measures "how effectively a firm can maintain its economic position in the growth of the economy and industry"?
Select correct option:

Liquidity
Leverage
Activity
Growth

Question # 7 of 20 (Start time: 02:50:43 AM) Total Marks: 1
Of the following, which one would NOT be considered one of the components of a mission statement?
Select correct option:

The target market for XYZ is oil and gas producers as well as producers of chemicals
XYZ shall hire only those individuals who have with sufficient educational levels so as to be of benefit to our customers
The customers of XYZ shall include global and local consumers of gas and oil products and domestic users of nontoxic chemicals
The technologies utilized by XYZ shall focus upon development of alternative sources of gas and oil so as to remain competitive within the industry

Question # 8 of 20 (Start time: 02:50:58 AM) Total Marks: 1
When the Chief Executive of a chain of pharmacies decided to sell off or close some of the locations that were not profitable, he was performing which of the management function?
Select correct option:

Leading
Planning
Controlling
Organizing

Question # 9 of 20 (Start time: 02:52:09 AM) Total Marks: 1
Establishing and implementing ways of making things work is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Question # 10 of 20 (Start time: 02:52:51 AM) Total Marks: 1
Buyers can exercise high bargaining power over their suppliers under which one of the following conditions?
Select correct option:

When there are many good substitutes of raw material
There are few buyers in the market
They have few suppliers to choose from
There is a high concentration of suppliers

Question # 11 of 20 (Start time: 02:53:42 AM) Total Marks: 1
Which of the following period strategic management was considered to be cure for all problems?
Select correct option:

Mid 1950s to mid 1960s
Mid 1960s to mid 1970s
Mid 1970s to mid 1980s
Mid 1980s to mid 1990s

Question # 12 of 20 (Start time: 02:53:49 AM) Total Marks: 1
Which of the following is NOT a component of external environment analysis?
Select correct option:

Customer satisfaction feedback
Global impacts
Legal issues within the industry
Competitive position of rival companies

Question # 13 of 20 (Start time: 02:54:01 AM) Total Marks: 1
Investment decisions are also known as:
Select correct option:

Business finance
Capital structure
Capital budgeting
Dividend policy

Question # 14 of 20 (Start time: 02:54:36 AM) Total Marks: 1
Effective mission statements don't have one of the following features:
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Generate range of feasible strategic alternatives
Reconcile interests among diverse stakeholders
What does the firm want to become
Provide criteria for selecting strategies

Question # 15 of 20 (Start time: 02:54:50 AM) Total Marks: 1
Ethnic balance is affected due to which of the following?
Select correct option:

Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

Question # 16 of 20 (Start time: 02:54:57 AM) Total Marks: 1
Principles of conduct that guide decision-making are known as:
Select correct option:

Human rights
Business ethics
The constitution
Social responsibility

Question # 17 of 20 (Start time: 02:55:03 AM) Total Marks: 1
Which of the following can be considered one of the factors of external opportunities and threats of an organization?
Select correct option:

Production/ operations
Research & development
Competitive trends
Management information system

Question # 18 of 20 (Start time: 02:55:26 AM) Total Marks: 1
Which of the following ties all business functions together and provides the basis for all managerial decisions?
Select correct option:

Marketing
Information
Technology
Workforce

www.vuaskari.com

Question # 19 of 20 (Start time: 02:56:19 AM) Total Marks: 1
To whom a planning horizon of two to five years applies?
Select correct option:

Top management
Middle management
Lower management
All levels

Question # 20 of 20 (Start time: 02:57:39 AM) Total Marks: 1
When an industry relies heavily on government contracts, which of the following is important for the firm to foresee as a part of its external audit?
Select correct option:

Economic forces
Political forces
Technological forces
Competitive forces

Question # 1 of 20 (Start time: 06:11:37 PM) Total Marks: 1
Which of the following can reveal the demographic characteristics of an organization's customers?
Select correct option:

Customer profiling
Test marketing
Market development
The vision statement

Question # 2 of 20 (Start time: 06:12:37 PM) Total Marks: 1
Which of the following is the greatest advantage of international operations?
Select correct option:

Reduced tariffs and taxes
Access to global business practices
Gaining new customers
Less-intense competition

Question # 3 of 20 (Start time: 06:12:54 PM) Total Marks: 1
Which of the following can be considered one of the factors of external opportunities and threats of an organization?
Select correct option:

www.vuaskari.com

Production/ operations
Research & development
Competitive trends
Management information system

Question # 4 of 20 (Start time: 06:13:08 PM) Total Marks: 1
In the process of developing a mission statement, which of the following is CORRECT?
Select correct option:

To involve as few managers as possible
To involve as many managers as possible
To involve upper-level management only
To involve the board of directors only

Question # 5 of 20 (Start time: 06:13:35 PM) Total Marks: 1
What is the range for a firm's total weighted score in an External Factor Evaluation Matrix?
Select correct option:

0 to 5
0 to 4
1 to 5
1 to 4

Question # 6 of 20 (Start time: 06:14:47 PM) Total Marks: 1
When the Chief Executive of a chain of pharmacies decided to sell off or close some of the locations that were not profitable, he was performing which of the management function?
Select correct option:

Leading
Planning
Controlling
Organizing

Question # 7 of 20 (Start time: 06:14:55 PM) Total Marks: 1
In which of the following phase of strategic management, annual objectives are especially important?
Select correct option:

Formulation
Evaluation
Implementation

www.vuaskari.com

Management

Question # 8 of 20 (Start time: 06:15:10 PM) Total Marks: 1
Choose the economic variable from the list.
Select correct option:

Attitudes toward business
Attitudes toward product quality
Population changes by race
Stock market trends

Question # 9 of 20 (Start time: 06:15:25 PM) Total Marks: 1
Which component of a mission statement addresses the firm's distinctive competence or major competitive advantage?
Select correct option:

Technology
Philosophy
Customers
Self-concept

Question # 10 of 20 (Start time: 06:15:38 PM) Total Marks: 1
HTML stands for which of the following?
Select correct option:

Hybrid text markup language
Hypertext Markup Language
Hyper text manufacture language
Highly technical markup language

Question # 11 of 20 (Start time: 06:15:45 PM) Total Marks: 1
In Competitive Profile Matrix, the rating 4 indicates what?
Select correct option:

Major weakness
Major strength
Minor strength
Minor weakness

Question # 12 of 20 (Start time: 06:17:08 PM) Total Marks: 1
Effective mission statements don't have one of the following features:
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Generate range of feasible strategic alternatives
Reconcile interests among diverse stakeholders
What does the firm want to become
Provide criteria for selecting strategies

Question # 13 of 20 (Start time: 06:17:20 PM) Total Marks: 1
Corporate social policy should be designed and articulated during which phase of strategic management?
Select correct option:

Implementation
Formulation
Evaluation
Management

Question # 14 of 20 (Start time: 06:17:33 PM) Total Marks: 1
"A desired future state that the organization attempts to realize". Identify the term relevant to the given statement.
Select correct option:

Goal
Strategy
Policy
Procedure

Question # 15 of 20 (Start time: 06:17:46 PM) Total Marks: 1
Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

Question # 16 of 20 (Start time: 06:18:00 PM) Total Marks: 1
Of the following, which one would NOT be considered one of the components of a mission statement?
Select correct option:

The target market for XYZ is oil and gas producers as well as producers of chemicals
XYZ shall hire only those individuals who have with sufficient educational levels so as to be of benefit to our customers
The customers of XYZ shall include global and local consumers of gas and oil products

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

and domestic users of nontoxic chemicals
The technologies utilized by XYZ shall focus upon development of alternative sources of gas and oil so as to remain competitive within the industry

Question # 17 of 20 (Start time: 06:18:06 PM) Total Marks: 1
While preparing an External Factor Evaluation matrix, a total score of 0.8 indicates what?
Select correct option:

Firm is taking advantages of strengths and avoiding threats
Firm is not taking advantages of opportunities and is avoiding threats
Firm is not taking advantages of opportunities and is not avoiding threats
Firm is taking advantage of opportunities and is avoiding the threats

Question # 18 of 20 (Start time: 06:19:27 PM) Total Marks: 1
All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:
Select correct option:

Tax rates
Trust in government
Pak-India relationships
Patent laws

Question # 19 of 20 (Start time: 06:19:44 PM) Total Marks: 1
Identify the term that is known as a "mean of providing guidance to actions and procedures, including how resources are to be allocated and how tasks assigned to the organization might be accomplished".
Select correct option:

Aspirations
Objectives
Policies
Goals

Question # 20 of 20 (Start time: 06:19:57 PM) Total Marks: 1
Opportunity analysis is one of the basic functions of which one of the following?
Select correct option:

Computer information systems
Marketing
Production/operations
Research and development

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Question # 1 of 20 (Start time: 06:51:00 PM) Total Marks: 1
Total weighted scores of IFE matrix below 2.5 characterizes an organizations as:
Select correct option:

Organization is externally weak
Organization is internally weak
Organization is internally strong
Organization is externally strong

Question # 2 of 20 (Start time: 06:52:00 PM) Total Marks: 1
What happens to the demand for discretionary goods when interest rates rise?
Select correct option:

Rises
Declines
Remains the same
First rises then declines

Question # 3 of 20 (Start time: 06:52:13 PM) Total Marks: 1
The mission statement answers which of the following question?
Select correct option:

What is our business?
How can we improve ourselves?
What do we want to become?
Who are our stakeholders?

Question # 4 of 20 (Start time: 06:52:28 PM) Total Marks: 1
Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

Question # 5 of 20 (Start time: 06:52:34 PM) Total Marks: 1
All of the following are the key questions that can reveal internal strengths and weaknesses in the management department EXCEPT:
Select correct option:

Is the organization's structure appropriate?
Are reward and control mechanisms effective?

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Are the organization's products positioned well?
Does the firm use strategic management concepts?

Question # 6 of 20 (Start time: 06:53:23 PM) Total Marks: 1
Integration strategies allow a firm to gain control over all of the following EXCEPT:
Select correct option:

Distributors
Investors
Suppliers
Competitors

Question # 7 of 20 (Start time: 06:54:01 PM) Total Marks: 1
What is the first step in the comprehensive strategic-management model?
Select correct option:

Performing external audits
Developing vision and mission statements
Performing internal audits
Measuring and evaluating performance

Question # 8 of 20 (Start time: 06:54:15 PM) Total Marks: 1
Lack of access to key distribution channel indicates which of the following?
Select correct option:

Strength
Weakness
Opportunity
Threat

Question # 9 of 20 (Start time: 06:54:20 PM) Total Marks: 1
Which of the following refers to determining the best capital structure for the company?
Select correct option:

Restructuring decisions
Financing decisions
Strategic decision
Investment decision

Question # 10 of 20 (Start time: 06:54:53 PM) Total Marks: 1
All of the following are functional support roles of Management Information System EXCEPT:
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Recording and storing accounting records
Recording and storing inventory data
Recording and storing business intelligence data
The enhanced ability to explore "what if"

Question # 11 of 20 (Start time: 06:56:10 PM) Total Marks: 1
Which one of the following area can be the weakness of a firm?
Select correct option:

Changing lifestyle
High oil prices
Ineffective Marketing
Increasing pollution

Question # 12 of 20 (Start time: 06:56:51 PM) Total Marks: 1
All of the following are the types of Profitability ratios EXCEPT?
Select correct option:

Net profit margin
Inventory turnover
Return on total assets
Earnings per share

Question # 13 of 20 (Start time: 06:57:48 PM) Total Marks: 1
Which of the following can be best described as short-term in nature?
Select correct option:

Mission statements
Annual objectives
Strategies
Vision statement

Question # 14 of 20 (Start time: 06:58:02 PM) Total Marks: 1
The analysis of industry's major competitors' strengths may give an insight of which one of these?
Select correct option:

Key threats for the firm
Key opportunities for the firm
Both opportunities and strengths for the firm
None of the given options

www.vuaskari.com

Question # 15 of 20 (Start time: 06:58:08 PM) Total Marks: 1
Which of the following are the factors that concern the nature and direction of the economy in which a firm operates?
Select correct option:

Technological
Ecological
Social
Economic

Question # 16 of 20 (Start time: 06:58:18 PM) Total Marks: 1
The purpose of an external audit is to prepare a list of which of the following?
Select correct option:

Opportunities and weaknesses
Threats and strengths
Opportunities and threats
Strengths and weaknesses

Question # 17 of 20 (Start time: 06:58:31 PM) Total Marks: 1
HTML stands for which of the following?
Select correct option:

Hybrid text markup language
Hypertext Markup Language
Hyper text manufacture language
Highly technical markup language

Question # 18 of 20 (Start time: 06:58:41 PM) Total Marks: 1
Which of the following is NOT a component of external environment analysis?
Select correct option:

Customer satisfaction feedback
Global impacts
Legal issues within the industry
Competitive position of rival companies

Question # 19 of 20 (Start time: 06:58:48 PM) Total Marks: 1
Internal strengths and weaknesses that can significantly benefit or harm an organization may include all of the following EXCEPT:
Select correct option:

Production/ operations

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Research & development
E-commerce
Management information system

Question # 20 of 20 (Start time: 06:59:00 PM) Total Marks: 1
Assigning a rate=2 in IFE matrix indicates what?
Select correct option:

A major weakness
A minor weakness
A minor strength
A major strength

Question # 1 of 20 (Start time: 07:27:50 PM) Total Marks: 1
All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:
Select correct option:

Tax rates
Trust in government
Pak-India relationships
Patent laws

Question # 2 of 20 (Start time: 07:28:02 PM) Total Marks: 1
Which statement is CORRECT about strategic-management process?
Select correct option:

It occurs once a year
It is a continuous process
It applies mostly to large business
It applies mostly to small businesses

Question # 3 of 20 (Start time: 07:28:15 PM) Total Marks: 1
Which of the following is the first step in the controlling function of management?
Select correct option:

Take corrective actions
Restrict breaks employees take
Evaluate expense reports
Establish performance standards

Question # 4 of 20 (Start time: 07:29:23 PM) Total Marks: 1
What happens to the demand for discretionary goods when interest rates rise?

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Select correct option:

Rises
Declines
Remains the same
First rises then declines

Question # 5 of 20 (Start time: 07:29:30 PM) Total Marks: 1
Which component of a mission statement addresses the firm's distinctive competence or major competitive advantage?
Select correct option:

Technology
Philosophy
Customers
Self-concept

Question # 6 of 20 (Start time: 07:29:44 PM) Total Marks: 1
In which of the following phase of strategic management, annual objectives are especially important?
Select correct option:

Formulation
Evaluation
Implementation
Management

Question # 7 of 20 (Start time: 07:29:49 PM) Total Marks: 1
While preparing an External Factor Evaluation matrix, a total score of 0.8 indicates what?
Select correct option:

Firm is taking advantages of strengths and avoiding threats
Firm is not taking advantages of opportunities and is avoiding threats
Firm is not taking advantages of opportunities and is not avoiding threats
Firm is taking advantage of opportunities and is avoiding the threats

Question # 8 of 20 (Start time: 07:29:55 PM) Total Marks: 1
Which of the following is one of the Political, Governmental & legal factors?
Select correct option:

Ethical concerns
Traffic congestion
Lobbying activities

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Average level of education

Question # 9 of 20 (Start time: 07:30:10 PM) Total Marks: 1
Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company's future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Question # 10 of 20 (Start time: 07:30:25 PM) Total Marks: 1
Which of the following identified that "strategic management encourages forward thinking, favorable attitudes towards change and discipline to the management of business"?
Select correct option:

Greeley
Greenly
Greenley
Greenwich

Question # 11 of 20 (Start time: 07:30:31 PM) Total Marks: 1
Which group would be classified as a stakeholder?
Select correct option:

Communities
Banks
Suppliers
All of the given options

Question # 12 of 20 (Start time: 07:30:38 PM) Total Marks: 1
Integration strategies are sometimes collectively referred to as which of these strategies?
Select correct option:

Horizontal integration
Forward integration
Hierarchical integration
Vertical integration

Question # 13 of 20 (Start time: 07:31:24 PM) Total Marks: 1
All of the specified approaches could be used to determine R&D budget allocation EXCEPT:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Select correct option:

Financing as many projects as possible
Using percentage-of-sales method
Budgeting irrelative to competitors
Deciding how many successful new products are needed

Question # 14 of 20 (Start time: 07:32:39 PM) Total Marks: 1
What is the first step in the comprehensive strategic-management model?
Select correct option:

Performing external audits
Developing vision and mission statements
Performing internal audits
Measuring and evaluating performance

Question # 15 of 20 (Start time: 07:32:46 PM) Total Marks: 1
Which of the following period strategic management was considered to be cure for all problems?
Select correct option:

Mid 1950s to mid 1960s
Mid 1960s to mid 1970s
Mid 1970s to mid 1980s
Mid 1980s to mid 1990s

Question # 16 of 20 (Start time: 07:32:52 PM) Total Marks: 1
Which of the following can be the weakness of an organization?
Select correct option:

Price war
Poor location of business
Increased trade barriers
Innovative substitute product

Question # 17 of 20 (Start time: 07:33:33 PM) Total Marks: 1
In the process of developing a mission statement, which of the following is CORRECT?
Select correct option:

To involve as few managers as possible
To involve as many managers as possible
To involve upper-level management only
To involve the board of directors only

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Question # 18 of 20 (Start time: 07:33:42 PM) Total Marks: 1
When an industry relies heavily on government contracts, which of the following is important for the firm to foresee as a part of its external audit?
Select correct option:

Economic forces
Political forces
Technological forces
Competitive forces

Question # 19 of 20 (Start time: 07:33:56 PM) Total Marks: 1
Test marketing is commonly applied by which of the following companies?
Select correct option:

Industrial goods companies
Consumer goods companies
Public sector companies
Private sector companies

Question # 20 of 20 (Start time: 07:34:49 PM) Total Marks: 1
Technological advancements can create which of the following advantage besides many other existing powerful advantages for the businesses?
Select correct option:

Economic
Competitive
Social
Environmental

Question # 1 of 20 (Start time: 08:20:13 PM) Total Marks: 1
HTML stands for which of the following?
Select correct option:

Hybrid text markup language
Hypertext Markup Language
Hyper text manufacture language
Highly technical markup language

Question # 2 of 20 (Start time: 08:20:19 PM) Total Marks: 1
Which category of ratios measures "how effectively a firm can maintain its economic position in the growth of the economy and industry"?
Select correct option:

www.vuaskari.com

Liquidity
Leverage
Activity
Growth

Question # 3 of 20 (Start time: 08:20:50 PM) Total Marks: 1
Which of the following marketing entity is NOT an intermediary?
Select correct option:

Brokers
Agents
Producer
Vendors

Question # 4 of 20 (Start time: 08:22:09 PM) Total Marks: 1
Which of the following is the best example for acheiving long-term objectives?
Select correct option:

Strengths
Strategies
Policies
Opportunities

Question # 5 of 20 (Start time: 08:22:23 PM) Total Marks: 1
Developing a vision and a mission statement is important because of the following reasons EXCEPT:
Select correct option:

They are useful for large firms only
They establish organizational culture
They are the basis for allocating resources
They translate objectives into work structure

Question # 6 of 20 (Start time: 08:23:20 PM) Total Marks: 1
All of the specified approaches could be used to determine R&D budget allocation EXCEPT:
Select correct option:

Financing as many projects as possible
Using percentage-of-sales method
Budgeting irrelative to competitors
Deciding how many successful new products are needed

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Question # 7 of 20 (Start time: 08:23:27 PM) Total Marks: 1
Which of the following refers to the belief related to objectives setting that "the future is laden with great uncertainty and that if we try and do not succeed, then we hope our second (or third) attempt will succeed"?
Select correct option:

Managing by hope
Managing by extrapolation
Managing by crisis
Managing by subjectives

Question # 8 of 20 (Start time: 08:24:26 PM) Total Marks: 1
Which of the following can be the weakness of an organization?
Select correct option:

Price war
Poor location of business
Increased trade barriers
Innovative substitute product

Question # 9 of 20 (Start time: 08:24:32 PM) Total Marks: 1
Which of the following step in the strategic development process involves mobilizing employees and managers to put strategies into action?
Select correct option:

Formulating strategy
Strategy evaluation
Implementing strategy
Strategy planning

Question # 10 of 20 (Start time: 08:24:46 PM) Total Marks: 1
Of the following, which one would NOT be considered one of the components of a mission statement?
Select correct option:

The target market for XYZ is oil and gas producers as well as producers of chemicals
XYZ shall hire only those individuals who have with sufficient educational levels so as to be of benefit to our customers
The customers of XYZ shall include global and local consumers of gas and oil products and domestic users of nontoxic chemicals
The technologies utilized by XYZ shall focus upon development of alternative sources of gas and oil so as to remain competitive within the industry

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Question # 11 of 20 (Start time: 08:24:52 PM) Total Marks: 1
The social factors that affect a firm involve all of the following EXCEPT:
Select correct option:

Attitudes of people in the external environment
Lifestyles of people
Per capita income
Values and beliefs of persons outside the firm

Question # 12 of 20 (Start time: 08:25:07 PM) Total Marks: 1
Which of the following is the decision support role of management information system?
Select correct option:

Processing marketing records into marketing plans
Allowing users to ask "What if" questions
Recording and storing such human resource records
Processing operations records into production schedules

Question # 13 of 20 (Start time: 08:26:04 PM) Total Marks: 1
Which of the following can be considered one of the factors of external opportunities and threats of an organization?
Select correct option:

Production/ operations
Research & development
Competitive trends
Management information system

Question # 14 of 20 (Start time: 08:26:17 PM) Total Marks: 1
All of the following are the types of Profitability ratios EXCEPT:
Select correct option:

Net profit margin
Inventory turnover
Return on total assets
Earnings per share

Question # 15 of 20 (Start time: 08:26:23 PM) Total Marks: 1
External assessment is performed in which of the strategic management phase?
Select correct option:

Strategy formulation stage

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Strategy implementation stage
Strategy evaluation stage
All of the given options

Question # 16 of 20 (Start time: 08:26:35 PM) Total Marks: 1
Strategist is an individual who is involved in the strategic management process, thus may be known as:
Select correct option:

Member board of director
President
Division manager
All of the given options

Question # 17 of 20 (Start time: 08:26:51 PM) Total Marks: 1
The XYZ Organization has a statement that describes the needs for which the organization was created to fill and answers the basic question of why the organization exists. XYZ is most likely to have any one of the following?
Select correct option:

Strategy
Vision statement
Mission statement
Functional tactics

Question # 18 of 20 (Start time: 08:27:04 PM) Total Marks: 1
Technological advancements can create which of the following advantage besides many other existing powerful advantages for the businesses?
Select correct option:

Economic
Competitive
Social
Environmental

Question # 19 of 20 (Start time: 08:27:12 PM) Total Marks: 1
Which of the following is not a strategy-implementation activity?
Select correct option:

Long term goals and objectives
Developing strategy supportive culture
Redirecting marketing efforts
Developing and utilizing information system

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Question # 20 of 20 (Start time: 08:27:28 PM) Total Marks: 1
Which type of trend can be exemplified by the increase in average level of education in a society?
Select correct option:

Social
Economic
Cultural
Technological

Question # 1 of 20 (Start time: 08:50:33 PM) Total Marks: 1
Which of the following can be considered one of the factors of external opportunities and threats of an organization?
Select correct option:

Production/ operations
Research & development
Competitive trends
Management information system

Question # 2 of 20 (Start time: 08:50:40 PM) Total Marks: 1
Backward integration is effective in all of the following situations EXCEPT:
Select correct option:

When an organization competes in an industry that is growing rapidly
When an organization needs to acquire a needed resource quickly
When the advantage of stable prices are not important
When present suppliers have high profit margins

Question # 3 of 20 (Start time: 08:51:54 PM) Total Marks: 1
Developing a vision and a mission statement is important because of the following reasons EXCEPT:
Select correct option:

They are useful for large firms only
They establish organizational culture
They are the basis for allocating resources
They translate objectives into work structure

Question # 4 of 20 (Start time: 08:52:09 PM) Total Marks: 1
The XYZ Organization has a statement that describes the needs for which the organization was created to fill and answers the basic question of why the organization

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

exists. XYZ is most likely to have any one of the following?
Select correct option:

Strategy
Vision statement
Mission statement
Functional tactics

Question # 5 of 20 (Start time: 08:52:17 PM) Total Marks: 1
Which one of the following is NOT a basic mission of a competitive intelligence program?
Select correct option:

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

Question # 6 of 20 (Start time: 08:52:36 PM) Total Marks: 1
Which of the following can be the weakness of an organization?
Select correct option:

Price war
Poor location of business
Increased trade barriers
Innovative substitute product

Question # 7 of 20 (Start time: 08:52:42 PM) Total Marks: 1
Strategic management is the art and science of formulating, implementing and evaluating cross-functional decisions which is usually done by all of the following EXCEPT:
Select correct option:

Chairman of the company
Board of directors
Chief executive officer
Marketing officer

Question # 8 of 20 (Start time: 08:52:57 PM) Total Marks: 1
Which of the following is the first step in the controlling function of management?
Select correct option:

Take corrective actions
Restrict breaks employees take

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

Evaluate expense reports
Establish performance standards

Question # 9 of 20 (Start time: 08:53:13 PM) Total Marks: 1
Which of the following is the greatest advantage of international operations?
Select correct option:

Reduced tariffs and taxes
Access to global business practices
Gaining new customers
Less-intense competition

Question # 10 of 20 (Start time: 08:53:19 PM) Total Marks: 1
Which of the following groups represents the stakeholders of a company?
Select correct option:

The owners of the company
The people who purchases the shares of the company
The people who have a special stake or claim on the company
Are the people who are in the management a company

Question # 11 of 20 (Start time: 08:54:43 PM) Total Marks: 1
For the past four years the ABC Corporation has been planning to expand its operations in order to reach out to the world market. Essentially, the ABC Corporation desires to do what?
Select correct option:

Become an online business
Become a brick-n-mortar business
Embrace globalization
Become a click-n-mortar business

Question # 12 of 20 (Start time: 08:55:06 PM) Total Marks: 1
Which of the following are the five forces that affect the level of competition in an industry?
Select correct option:

Threat of entrants; power of buyers; power of suppliers; threat of substitutes; competitive rivalry
Threat of buyers; power of entry; power of substitutes; threat of suppliers; threat of recession
Threat of recession; power of buyers; power of suppliers; threat of management failure; competitive rivalry

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Threat of entry; power of buyers; power of suppliers; threat of substitutes; government action

Question # 13 of 20 (Start time: 08:55:38 PM) Total Marks: 1
Reasons due to which some firms do "No Strategic Planning" incorporate all of the following EXCEPT:
Select correct option:

Wastage of time
Fire-fighting
Content with success
Privileged reward structures

Question # 14 of 20 (Start time: 08:55:55 PM) Total Marks: 1
The total weighted score of IFE matrix developed for XYZ corporation is 3.5. Which of the following statement is TRUE about XYZ Corporation in the light of IFE matrix total weighted score?
Select correct option:

Corporation has strong external position
Corporation has weak internal position
Corporation has strong internal position
Corporation has weak external position

Question # 15 of 20 (Start time: 08:56:56 PM) Total Marks: 1
What is the systematic gathering, recording, and analyzing of data about problems relating to the marketing of goods and services?
Select correct option:

Management
Planning
Marketing Research
Market segmentation

Question # 16 of 20 (Start time: 08:57:12 PM) Total Marks: 1
All of the following are included in the five functions of the management process EXCEPT:
Select correct option:

Planning
Organizing
Leading
Delegating

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Question # 17 of 20 (Start time: 08:57:36 PM) Total Marks: 1
Which of the following categories of ratios includes return on total assets and return on stockholders' equity as its types?
Select correct option:

Profitability
Leverage
Growth
Liquidity

Question # 18 of 20 (Start time: 08:58:37 PM) Total Marks: 1
Which of the following is NOT a characteristic of well-constructed goals?
Select correct option:

Address important issues
Easy to remember
Precise and measurable
Challenging but realistic

Question # 19 of 20 (Start time: 08:58:44 PM) Total Marks: 1
Which of the following is the highest possible weighted score for the organization in IFE matrix?
Select correct option:

1.0
1.5
2.5
4.0

Question # 20 of 20 (Start time: 08:59:04 PM) Total Marks: 1
All of these are pitfalls an organization should avoid in strategic planning EXCEPT:
Select correct option:

Using plans as a standard for measuring performance.
Using strategic planning to gain control over decisions and resources
Failing to involve key employees in all phases of planning
Being so formal in planning that flexibility and creativity are stifled

Question # 1 of 20 (Start time: 09:20:32 PM) Total Marks: 1
Which of the following is the greatest advantage of international operations?
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Reduced tariffs and taxes
Access to global business practices
Gaining new customers
Less-intense competition

Question # 2 of 20 (Start time: 09:20:42 PM) Total Marks: 1
Non-financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Better awareness of external threats
Enhanced awareness of threats
Reduced resistance to change
Increase in sales

Question # 3 of 20 (Start time: 09:20:48 PM) Total Marks: 1
Which one variable falls under the category of the Social, Cultural, Demographic, and Environmental Variable?
Select correct option:

Propensity of people to spend
Buying habits
Level of disposable income
Income differences by region

Question # 4 of 20 (Start time: 09:21:06 PM) Total Marks: 1
All of these are pitfalls an organization should avoid in strategic planning EXCEPT:
Select correct option:

Using plans as a standard for measuring performance.
Using strategic planning to gain control over decisions and resources
Failing to involve key employees in all phases of planning
Being so formal in planning that flexibility and creativity are stifled

Question # 5 of 20 (Start time: 09:21:13 PM) Total Marks: 1
What are historical narratives describing the unique accomplishments of a group and its leaders, usually in heroic terms?
Select correct option:

Rites
Sagas
Stories
Myths

www.vuaskari.com

Question # 6 of 20 (Start time: 09:22:26 PM) Total Marks: 1
Which of the following directs at developing new products before competitors do at improving product quality or at improving manufacturing processes to reduce costs?
Select correct option:

Marketing
Opportunity analysis
Research and development
Management

Question # 7 of 20 (Start time: 09:22:47 PM) Total Marks: 1
What is the systematic gathering, recording, and analyzing of data about problems relating to the marketing of goods and services?
Select correct option:

Management
Planning
Marketing Research
Market segmentation

Question # 8 of 20 (Start time: 09:22:57 PM) Total Marks: 1
All of the following are the types of Profitability ratios EXCEPT:
Select correct option:

Net profit margin
Inventory turnover
Return on total assets
Earnings per share

Question # 9 of 20 (Start time: 09:23:08 PM) Total Marks: 1
Lack of access to key distribution channel indicates which of the following?
Select correct option:

Strength
Weakness
Opportunity
Threat

Question # 10 of 20 (Start time: 09:23:15 PM) Total Marks: 1
All of the following are included in the five functions of the management process EXCEPT:
Select correct option:

www.vuaskari.com

Planning
Organizing
Leading
Delegating

Question # 11 of 20 (Start time: 09:23:29 PM) Total Marks: 1
All of the following are the outputs of a system EXCEPT:
Select correct option:

Tables
Charts
Data
Graphs

Question # 12 of 20 (Start time: 09:23:47 PM) Total Marks: 1
Which of the following refers to the belief related to objectives setting that "the future is laden with great uncertainty and that if we try and do not succeed, then we hope our second (or third) attempt will succeed"?
Select correct option:

Managing by hope
Managing by extrapolation
Managing by crisis
Managing by subjectives

Question # 13 of 20 (Start time: 09:23:54 PM) Total Marks: 1
Din Mohammad, a farmer sells his crops at the local market rather than to a distribution center. This action of Din Mohammad comes under which of the following?
Select correct option:

Backward integration
Product development
Forward integration
Horizontal integration

Question # 14 of 20 (Start time: 09:24:39 PM) Total Marks: 1
Which of the following best describes this statement; “a Systematic and ethical process for gathering and analyzing information about the competition’s activities and general business trends to further a business’ own goals”?
Select correct option:

External assessment
Industry analysis

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Competitive intelligence program
Business ethics

Question # 15 of 20 (Start time: 09:25:01 PM) Total Marks: 1
Which of the following are the five forces that affect the level of competition in an industry?
Select correct option:

Threat of entrants; power of buyers; power of suppliers; threat of substitutes; competitive rivalry
Threat of buyers; power of entry; power of substitutes; threat of suppliers; threat of recession
Threat of recession; power of buyers; power of suppliers; threat of management failure; competitive rivalry
Threat of entry; power of buyers; power of suppliers; threat of substitutes; government action

Question # 16 of 20 (Start time: 09:25:07 PM) Total Marks: 1
Which of the following refers to a functional support role of an information system?
Select correct option:

What if…?" questions
What is the capacity of plant?
What do we do?
What if tax rate increases by 10%?
\
Question # 17 of 20 (Start time: 09:25:21 PM) Total Marks: 1
Which of the following is the decision support role of management information system?
Select correct option:

Processing marketing records into marketing plans
Allowing users to ask "What if" questions
Recording and storing such human resource records
Processing operations records into production schedules

Question # 18 of 20 (Start time: 09:25:36 PM) Total Marks: 1
During which stage of strategic management, firm's specific internal strengths and weaknesses are determined?
Select correct option:

Formulation
Implementation
Evaluation

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Feedback

Question # 19 of 20 (Start time: 09:25:51 PM) Total Marks: 1
The purpose of an external audit is to prepare a list of which of the following?
Select correct option:

Opportunities and weaknesses
Threats and strengths
Opportunities and threats
Strengths and weaknesses

Question # 20 of 20 (Start time: 09:26:15 PM) Total Marks: 1
Selling includes all of the following marketing activities EXCEPT:
Select correct option:

Advertising
Pricing
Sales promotion
Customer relations

Question # 1 of 20 (Start time: 09:39:45 PM) Total Marks: 1
Which of the following is NOT included in the strategic management model?
Select correct option:

Measure and evaluate performance.
Perform internal research to identify customers.
Establish long-term objectives.
Develop mission and vision statements.

Question # 2 of 20 (Start time: 09:40:02 PM) Total Marks: 1
Which of the following are the factors that concern the nature and direction of the economy in which a firm operates?
Select correct option:

Technological
Ecological
Social
Economic

Question # 3 of 20 (Start time: 09:40:09 PM) Total Marks: 1
All of the following are the basic functions of marketing EXCEPT:
Select correct option:

www.vuaskari.com

Selling products/services
Product and service planning
Marketing research
Arranging for finance

Question # 4 of 20 (Start time: 09:40:17 PM) Total Marks: 1
Which one variable falls under the category of the Social, Cultural, Demographic, and Environmental Variable?
Select correct option:

Propensity of people to spend
Buying habits
Level of disposable income
Income differences by region

Question # 5 of 20 (Start time: 09:40:24 PM) Total Marks: 1
Which of the following are the five forces that affect the level of competition in an industry?
Select correct option:

Threat of entrants; power of buyers; power of suppliers; threat of substitutes; competitive rivalry
Threat of buyers; power of entry; power of substitutes; threat of suppliers; threat of recession
Threat of recession; power of buyers; power of suppliers; threat of management failure; competitive rivalry
Threat of entry; power of buyers; power of suppliers; threat of substitutes; government action

Question # 6 of 20 (Start time: 09:40:31 PM) Total Marks: 1
Which of the following refers to a functional support role of an information system?
Select correct option:

What if…?" questions
What is the capacity of plant?
What do we do?
What if tax rate increases by 10%?

Question # 7 of 20 (Start time: 09:40:37 PM) Total Marks: 1
The general conditions for competition that influence business firms, which provide similar products and services is known:
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Remote environment
International environment
External environment
Industry environment

Question # 8 of 20 (Start time: 09:42:03 PM) Total Marks: 1
Which of the following is the process of influencing people to accomplish specific objectives?
Select correct option:

Staffing
Motivating
Controlling
Organizing

Question # 9 of 20 (Start time: 09:42:24 PM) Total Marks: 1
Which management function includes breaking tasks into jobs, combining jobs to form departments and delegating authority?
Select correct option:

Motivating
Staffing
Organizing
Planning

Question # 10 of 20 (Start time: 09:42:54 PM) Total Marks: 1
For the past four years the ABC Corporation has been planning to expand its operations in order to reach out to the world market. Essentially, the ABC Corporation desires to do what?
Select correct option:

Become an online business
Become a brick-n-mortar business
Embrace globalization
Become a click-n-mortar business

Question # 11 of 20 (Start time: 09:43:00 PM) Total Marks: 1
Which of the following is the benefit of strategic management?
Select correct option:

Fewer complexes
More complex
Less static

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

More profitable

Question # 12 of 20 (Start time: 09:43:06 PM) Total Marks: 1
Assessment of competitive rivalry does NOT include an understanding of which of the following?
Select correct option:

Mergers and acquisition in industry
Market growth rates
Exit barriers and operational efficiency of competitor
The management structure of an organization

Question # 13 of 20 (Start time: 09:44:28 PM) Total Marks: 1
Integration strategies allow a firm to gain control over all of the following EXCEPT:
Select correct option:

Distributors
Investors
Suppliers
Competitors

Question # 14 of 20 (Start time: 09:44:46 PM) Total Marks: 1
Opportunity analysis is one of the basic functions of which one of the following?
Select correct option:

Computer information systems
Marketing
Production/operations
Research and development

Question # 15 of 20 (Start time: 09:45:01 PM) Total Marks: 1
Which of the following groups represents the stakeholders of a company?
Select correct option:

The owners of the company
The people who purchases the shares of the company
The people who have a special stake or claim on the company
Are the people who are in the management a company

Question # 16 of 20 (Start time: 09:45:10 PM) Total Marks: 1
According to Freund, Which one of the following should NOT be the characteristics of key external factors?
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Measurable
Relatively few in number
Applicable to all competing firms
Important to achieve long-term objectives

Question # 17 of 20 (Start time: 09:45:36 PM) Total Marks: 1
Buyers can exercise high bargaining power over their suppliers under which one of the following conditions?
Select correct option:

When there are many good substitutes of raw material
There are few buyers in the market
They have few suppliers to choose from
There is a high concentration of suppliers

Question # 18 of 20 (Start time: 09:45:44 PM) Total Marks: 1
The purpose of an external audit is to prepare a list of which of the following?
Select correct option:

Opportunities and weaknesses
Threats and strengths
Opportunities and threats
Strengths and weaknesses

Question # 19 of 20 (Start time: 09:45:56 PM) Total Marks: 1
The XYZ Organization has a statement that describes the needs for which the organization was created to fill and answers the basic question of why the organization exists. XYZ is most likely to have any one of the following?
Select correct option:

Strategy
Vision statement
Mission statement
Functional tactics

Question # 20 of 20 (Start time: 09:46:02 PM) Total Marks: 1
Which category of ratios measures "how effectively a firm can maintain its economic position in the growth of the economy and industry"?
Select correct option:

Liquidity
Leverage

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Activity
Growth

Question # 16 of 20 (Start time: 11:34:05 PM) Total Marks: 1
Which of the following is a standardized, detailed set of techniques and behaviors that manage anxieties, but seldom produce intended, technical consequences of practical results?
Select correct option:

Folktales
Rites
Rituals
Values

Question # 20 of 20 (Start time: 11:35:04 PM) Total Marks: 1
As managers move up the organization, they perform which of the management function more?
Select correct option:

Leading
Controlling
Organizing
Planning

Question # 1 of 20 (Start time: 11:42:03 PM) Total Marks: 1
Which of the following refers to the belief related to objectives setting that "there is no general plan for which way to go and what to do"?
Select correct option:

Managing by crisis
Managing by extrapolation
Managing by hope
Managing by subjectives

Question # 2 of 20 (Start time: 11:42:44 PM) Total Marks: 1
In Competitive Profile Matrix, the rating 4 indicates what?
Select correct option:

Major weakness
Major strength
Minor strength
Minor weakness

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Question # 3 of 20 (Start time: 11:43:00 PM) Total Marks: 1
Which of the following refers to determining the best capital structure for the company?
Select correct option:

Restructuring decisions
Financing decisions
Strategic decision
Investment decision

Question # 4 of 20 (Start time: 11:43:07 PM) Total Marks: 1
Which one of the following is NOT a basic mission of a competitive intelligence program?
Select correct option:

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

Question # 5 of 20 (Start time: 11:43:13 PM) Total Marks: 1
Which of these basic questions a vision statement answers?
Select correct option:

What is our business?
Who are our employees?
What do we want to become?
Who are our competitors?

Question # 6 of 20 (Start time: 11:43:20 PM) Total Marks: 1
Which of the following period strategic management was considered to be cure for all problems?
Select correct option:

Mid 1950s to mid 1960s
Mid 1960s to mid 1970s
Mid 1970s to mid 1980s
Mid 1980s to mid 1990s

Question # 7 of 20 (Start time: 11:43:26 PM) Total Marks: 1
Rehman industries is 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?
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Strategy formulation
Strategy implementation
Strategy evaluation
All of the given options

Question # 8 of 20 (Start time: 11:43:39 PM) Total Marks: 1
Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company's future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Question # 9 of 20 (Start time: 11:43:46 PM) Total Marks: 1
The general conditions for competition that influence business firms, which provide similar products and services is known:
Select correct option:

Remote environment
International environment
External environment
Industry environment

Question # 10 of 20 (Start time: 11:43:54 PM) Total Marks: 1
Assigning rating 3 to an internal factor in IFE matrix indicates what?
Select correct option:

Major weakness
Minor weakness
Minor strength
Major strength

Question # 11 of 20 (Start time: 11:45:03 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

www.vuaskari.com

Question # 12 of 20 (Start time: 11:46:21 PM) Total Marks: 1
Which of the following categories of ratios includes return on total assets and return on stockholders' equity as its types?
Select correct option:

Profitability
Leverage
Growth
Liquidity

Question # 13 of 20 (Start time: 11:46:28 PM) Total Marks: 1
Buyers can exercise high bargaining power over their suppliers under which one of the following conditions?
Select correct option:

When there are many good substitutes of raw material
There are few buyers in the market
They have few suppliers to choose from
There is a high concentration of suppliers

Question # 14 of 20 (Start time: 11:46:36 PM) Total Marks: 1
Financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Progression in profitability
Improvement in employee productivity
Expansion in the sales of business
Enhancement in productivity

Question # 15 of 20 (Start time: 11:46:42 PM) Total Marks: 1
Which of the following is not a pitfall an organization should avoid in strategic planning?
Select correct option:

Failing to involve key employees in all phases of planning
Involving all managers rather than delegating planning to a planner
Top managers not actively supporting the strategic planning process
Doing strategic planning only to satisfy accreditation or regulatory requirements

Question # 16 of 20 (Start time: 11:46:57 PM) Total Marks: 1
All of the following are the basic functions of marketing EXCEPT:
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Selling products/services
Product and service planning
Marketing research
Arranging for finance

Question # 17 of 20 (Start time: 11:47:03 PM) Total Marks: 1
HTML stands for which of the following?
Select correct option:

Hybrid text markup language
Hypertext Markup Language
Hyper text manufacture language
Highly technical markup language

Question # 18 of 20 (Start time: 11:47:10 PM) Total Marks: 1
Which type of trend can be exemplified by the increase in average level of education in a society?
Select correct option:

Social
Economic
Cultural
Technological

Question # 19 of 20 (Start time: 11:47:23 PM) Total Marks: 1
Departmentalization can be done on the basis of many factors EXCEPT:
Select correct option:

Functions
Number of employees
Strategic business units
Divisions

Question # 20 of 20 (Start time: 11:47:54 PM) Total Marks: 1
When an industry relies heavily on government contracts, which of the following is important for the firm to foresee as a part of its external audit?
Select correct option:

Economic forces
Political forces
Technological forces
Competitive forces

www.vuaskari.com

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Question # 1 of 20 (Start time: 01:15:05 AM) Total Marks: 1
Which of the follwoing term represents the enduring statement of purpose that distinguish one business from other similar firms?
Select correct option:

Vision
Strategy
Mission
Tactics

Question # 2 of 20 (Start time: 01:15:23 AM) Total Marks: 1
Selling includes all of the following marketing activities EXCEPT:
Select correct option:

Advertising
Pricing
Sales promotion
Customer relations

Question # 3 of 20 (Start time: 01:15:29 AM) Total Marks: 1
Which of the following is the best example for acheiving long-term objectives?
Select correct option:

Strengths
Strategies
Policies
Opportunities

Question # 4 of 20 (Start time: 01:15:36 AM) Total Marks: 1
Which of the following step in the strategic development process involves mobilizing employees and managers to put strategies into action?
Select correct option:

Formulating strategy
Strategy evaluation
Implementing strategy
Strategy planning

Question # 5 of 20 (Start time: 01:15:52 AM) Total Marks: 1
Backward integration is effective in all of the following situations EXCEPT:
Select correct option:

When an organization competes in an industry that is growing rapidly

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

When an organization needs to acquire a needed resource quickly
When the advantage of stable prices are not important
When present suppliers have high profit margins

Question # 6 of 20 (Start time: 01:16:01 AM) Total Marks: 1
What is the first step in the comprehensive strategic-management model?
Select correct option:

Performing external audits
Developing vision and mission statements
Performing internal audits
Measuring and evaluating performance

Question # 7 of 20 (Start time: 01:16:08 AM) Total Marks: 1
Strategist is an individual who is involved in the strategic management process, thus may be known as:
Select correct option:

Member board of director
President
Division manager
All of the given options

Question # 8 of 20 (Start time: 01:16:16 AM) Total Marks: 1
All of the following are functional support roles of Management Information System EXCEPT:
Select correct option:

Recording and storing accounting records
Recording and storing inventory data
Recording and storing business intelligence data
The enhanced ability to explore "what if"

Question # 9 of 20 (Start time: 01:16:28 AM) Total Marks: 1
Principles of conduct that guide decision-making are known as:
Select correct option:

Human rights
Business ethics
The constitution
Social responsibility

Question # 10 of 20 (Start time: 01:16:35 AM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

According to Freund, Which one of the following should NOT be the characteristics of key external factors?
Select correct option:

Measurable
Relatively few in number
Applicable to all competing firms
Important to achieve long-term objectives

Question # 11 of 20 (Start time: 01:16:41 AM) Total Marks: 1
Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

Question # 12 of 20 (Start time: 01:16:47 AM) Total Marks: 1
Which category of ratios measures "how effectively a firm can maintain its economic position in the growth of the economy and industry"?
Select correct option:

Liquidity
Leverage
Activity
Growth

Question # 13 of 20 (Start time: 01:16:54 AM) Total Marks: 1
Establishing and implementing ways of making things work is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 14 of 20 (Start time: 01:17:23 AM) Total Marks: 1
Which one of the following area can be the weakness of a firm?
Select correct option:

Changing lifestyle
High oil prices

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Ineffective Marketing
Increasing pollution

Question # 15 of 20 (Start time: 01:17:29 AM) Total Marks: 1
All of the following are the types of Profitability ratios EXCEPT:
Select correct option:

Net profit margin
Inventory turnover
Return on total assets
Earnings per share

Question # 16 of 20 (Start time: 01:17:36 AM) Total Marks: 1
Which of the following can be best described as short-term in nature?
Select correct option:

Mission statements
Annual objectives
Strategies
Vision statement

Question # 17 of 20 (Start time: 01:17:44 AM) Total Marks: 1
The analysis of industry's major competitors' strengths may give an insight of which one of these?
Select correct option:

Key threats for the firm
Key opportunities for the firm
Both opportunities and strengths for the firm
None of the given options

Question # 18 of 20 (Start time: 01:17:50 AM) Total Marks: 1
Different types of consumers are created due to new trends, which in turn require which type of products?
Select correct option:

Different products
Different services
Different strategies
All of the given options

Question # 19 of 20 (Start time: 01:17:57 AM) Total Marks: 1
Which one of the following is NOT a key external force?

www.vuaskari.com

Select correct option:

Social responsibility
Ozone reduction
Company management
Energy conservation

Question # 20 of 20 (Start time: 01:18:17 AM) Total Marks: 1
Following are the examples of the sectors that are more technologically oriented EXCEPT:
Select correct option:

Textile
Pharmaceutical
Telecommunications
Beverages

Question # 1 of 20 (Start time: 03:35:52 PM) Total Marks: 1
Which of the following refers to a functional support role of an information system?
Select correct option:

What if…?" questions
What is the capacity of plant?
What do we do?
What if tax rate increases by 10%?

Question # 2 of 20 (Start time: 03:36:13 PM) Total Marks: 1
Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company's future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Question # 3 of 20 (Start time: 03:36:21 PM) Total Marks: 1
Which of the following can reveal the demographic characteristics of an organization's customers?
Select correct option:

Customer profiling
Test marketing
Market development

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

The vision statement

Question # 4 of 20 (Start time: 03:36:38 PM) Total Marks: 1
Establishing and implementing ways of making things work is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 5 of 20 (Start time: 03:36:54 PM) Total Marks: 1
Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

Question # 6 of 20 (Start time: 03:37:01 PM) Total Marks: 1
"A desired future state that the organization attempts to realize". Identify the term relevant to the given statement.
Select correct option:

Goal
Strategy
Policy
Procedure

Question # 7 of 20 (Start time: 03:37:33 PM) Total Marks: 1
Long-term objectives are needed at which level(s) of the organization?
Select correct option:

Corporate level
Divisional level
Functional level
All of the given options

Question # 8 of 20 (Start time: 03:38:27 PM) Total Marks: 1
The analysis of industry's major competitors' strengths may give an insight of which one of these?
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Key threats for the firm
Key opportunities for the firm
Both opportunities and strengths for the firm
None of the given options

Question # 9 of 20 (Start time: 03:38:55 PM) Total Marks: 1
Internal analysis involves gathering and analyzing the information about all areas of a firm EXPECT:
Select correct option:

Research nad development
Management information system
Marketing
Competitors

Question # 10 of 20 (Start time: 03:40:23 PM) Total Marks: 1
Which of the follwoing are the guidelines of decision making?
Select correct option:

Laws
Rules
Policies
Goals

Question # 11 of 20 (Start time: 03:40:39 PM) Total Marks: 1
Which of the following groups represents the stakeholders of a company?
Select correct option:

The owners of the company
The people who purchases the shares of the company
The people who have a special stake or claim on the company
Are the people who are in the management a company

Question # 12 of 20 (Start time: 03:40:49 PM) Total Marks: 1
Which one of the following dimensions is NOT a recommended component of a mission statement?
Select correct option:

Self-concept
Markets
Strategies
Customers

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Question # 13 of 20 (Start time: 03:41:04 PM) Total Marks: 1
Which of the following are developed in strategy implementation phase of strategic management?
Select correct option:

Vision and mission
Annual objectives
Strengths and weaknesses
Opportunities and threats

Question # 14 of 20 (Start time: 03:41:19 PM) Total Marks: 1
Political variables have a significant effect on which one of the following?
Select correct option:

Formulation and implementation of strategy
Formulation and Evaluation of a strategy
Implementation and evaluation of a strategy
Formulation, implementation and evaluation of a strategy

Question # 15 of 20 (Start time: 03:41:32 PM) Total Marks: 1
Integration strategies are sometimes collectively referred to as which of these strategies?
Select correct option:

Horizontal integration
Forward integration
Hierarchical integration
Vertical integration

Question # 16 of 20 (Start time: 03:41:48 PM) Total Marks: 1
Which of the following best describes this statement; "a Systematic and ethical process for gathering and analyzing information about the competition's activities and general business trends to further a business' own goals"?
Select correct option:

External assessment
Industry analysis
Competitive intelligence program
Business ethics

Question # 17 of 20 (Start time: 03:41:57 PM) Total Marks: 1
Which of the following arise when a company can take advantage of conditions in its environment to formulate and implement strategies that enable it to become more

www.vuaskari.com

profitable?
Select correct option:

Strengths
Opportunities
Weaknesses
Threats

Question # 18 of 20 (Start time: 03:42:53 PM) Total Marks: 1
The mission statement answers which of the following question?
Select correct option:

What is our business?
How can we improve ourselves?
What do we want to become?
Who are our stakeholders?

Question # 19 of 20 (Start time: 03:43:02 PM) Total Marks: 1
Which of the following refers to the belief related to objectives setting that "there is no general plan for which way to go and what to do"?
Select correct option:

Managing by crisis
Managing by extrapolation
Managing by hope
Managing by subjectives

Question # 20 of 20 (Start time: 03:43:17 PM) Total Marks: 1
Which of these basic questions a vision statement answers?
Select correct option:

What is our business?
Who are our employees?
What do we want to become?
Who are our competitors?

Question # 1 of 20 (Start time: 03:52:14 PM) Total Marks: 1
Strategic management integrates all of the following areas EXCEPT:
Select correct option:

Management
Marketing
Research and development

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Human resource management

Question # 2 of 20 (Start time: 03:52:32 PM) Total Marks: 1
Developing a vision and a mission statement is important because of the following reasons EXCEPT:
Select correct option:

They are useful for large firms only
They establish organizational culture
They are the basis for allocating resources
They translate objectives into work structure

Question # 3 of 20 (Start time: 03:52:39 PM) Total Marks: 1
Backward integration is effective in all of the following situations EXCEPT:
Select correct option:

When an organization competes in an industry that is growing rapidly
When an organization needs to acquire a needed resource quickly
When the advantage of stable prices are not important
When present suppliers have high profit margins

Question # 4 of 20 (Start time: 03:52:45 PM) Total Marks: 1
Technological advancements can create which of the following advantage besides many other existing powerful advantages for the businesses?
Select correct option:

Economic
Competitive
Social
Environmental

Question # 5 of 20 (Start time: 03:52:51 PM) Total Marks: 1
Which of the following can be best described as short-term in nature?
Select correct option:

Mission statements
Annual objectives
Strategies
Vision statement

Question # 6 of 20 (Start time: 03:53:22 PM) Total Marks: 1
Which of the following directs at developing new products before competitors do at improving product quality or at improving manufacturing processes to reduce costs?

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Select correct option:

Marketing
Opportunity analysis
Research and development
Management

Question # 7 of 20 (Start time: 03:53:42 PM) Total Marks: 1
Corporate social policy should be designed and articulated during which phase of strategic management?
Select correct option:

Implementation
Formulation
Evaluation
Management

Question # 8 of 20 (Start time: 03:53:57 PM) Total Marks: 1
Following are the examples of the sectors that are more technologically oriented EXCEPT:
Select correct option:

Textile
Pharmaceutical
Telecommunications
Beverages

Question # 9 of 20 (Start time: 03:54:05 PM) Total Marks: 1
Which of the following is the benefit of strategic management?
Select correct option:

Fewer complexes
More complex
Less static
More profitable

Question # 10 of 20 (Start time: 03:54:12 PM) Total Marks: 1
Rehman industries is 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?
Select correct option:

Strategy formulation

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Strategy implementation
Strategy evaluation
All of the given options

Question # 11 of 20 (Start time: 03:54:25 PM) Total Marks: 1
"A desired future state that the organization attempts to realize". Identify the term relevant to the given statement.
Select correct option:

Goal
Strategy
Policy
Procedure

Question # 12 of 20 (Start time: 03:54:31 PM) Total Marks: 1
Which of the following refers to the belief related to objectives setting that "the future is laden with great uncertainty and that if we try and do not succeed, then we hope our second (or third) attempt will succeed"?
Select correct option:

Managing by hope
Managing by extrapolation
Managing by crisis
Managing by subjectives

Question # 13 of 20 (Start time: 03:55:02 PM) Total Marks: 1
Which of the following is not a pitfall an organization should avoid in strategic planning?
Select correct option:

Failing to involve key employees in all phases of planning
Involving all managers rather than delegating planning to a planner
Top managers not actively supporting the strategic planning process
Doing strategic planning only to satisfy accreditation or regulatory requirements

Question # 14 of 20 (Start time: 03:55:18 PM) Total Marks: 1
Reasons due to which some firms do "No Strategic Planning" incorporate all of the following EXCEPT:
Select correct option:

Wastage of time
Fire-fighting
Content with success
Privileged reward structures

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Question # 15 of 20 (Start time: 03:55:32 PM) Total Marks: 1
Which of the following ties all business functions together and provides the basis for all managerial decisions?
Select correct option:

Marketing
Information
Technology
Workforce

Question # 16 of 20 (Start time: 03:55:49 PM) Total Marks: 1
Which of the following categories of ratios includes return on total assets and return on stockholders' equity as its types?
Select correct option:

Profitability
Leverage
Growth
Liquidity

Question # 17 of 20 (Start time: 03:55:55 PM) Total Marks: 1
Non-financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Better awareness of external threats
Enhanced awareness of threats
Reduced resistance to change
Increase in sales

Question # 18 of 20 (Start time: 03:56:02 PM) Total Marks: 1
Financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Progression in profitability
Improvement in employee productivity
Expansion in the sales of business
Enhancement in productivity

Question # 19 of 20 (Start time: 03:56:09 PM) Total Marks: 1
"A Good mission statement identifies the utility of a firm's products to its customers"; which of the following represents this statement?
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Organization's philosophy
Customer orientation
Social policy
Declaration of attitude

Question # 20 of 20 (Start time: 03:56:26 PM) Total Marks: 1
Which of the following is NOT a characteristic of well-constructed goals?
Select correct option:

Address important issues
Easy to remember
Precise and measurable
Challenging but realistic

Question # 1 of 20 (Start time: 04:05:01 PM) Total Marks: 1
The purpose of an external audit is to prepare a list of which of the following?
Select correct option:

Opportunities and weaknesses
Threats and strengths
Opportunities and threats
Strengths and weaknesses

Question # 2 of 20 (Start time: 04:05:17 PM) Total Marks: 1
Integration strategies are sometimes collectively referred to as which of these strategies?
Select correct option:

Horizontal integration
Forward integration
Hierarchical integration
Vertical integration

Question # 3 of 20 (Start time: 04:06:01 PM) Total Marks: 1
Which of the following is NOT a component of external environment analysis?
Select correct option:

Customer satisfaction feedback
Global impacts
Legal issues within the industry
Competitive position of rival companies

Question # 4 of 20 (Start time: 04:06:09 PM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

As managers move up the organization, they perform which of the management function more?
Select correct option:

Leading
Controlling
Organizing
Planning

Question # 5 of 20 (Start time: 04:06:28 PM) Total Marks: 1
Which one of the following is NOT a basic mission of a competitive intelligence program?
Select correct option:

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

Question # 6 of 20 (Start time: 04:06:34 PM) Total Marks: 1
HTML stands for which of the following?
Select correct option:

Hybrid text markup language
Hypertext Markup Language
Hyper text manufacture language
Highly technical markup language

Question # 7 of 20 (Start time: 04:06:59 PM) Total Marks: 1
Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company's future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Question # 8 of 20 (Start time: 04:07:05 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Organizing
Leading
Controlling

Question # 9 of 20 (Start time: 04:07:21 PM) Total Marks: 1
Following are the examples of the sectors that are more technologically oriented EXCEPT:
Select correct option:

Textile
Pharmaceutical
Telecommunications
Beverages

Question # 10 of 20 (Start time: 04:07:27 PM) Total Marks: 1
External forces directly affects all of the following EXCEPT:
Select correct option:

Market segmentation strategies
Types of products/services offered
Management structure of organization
Choice of businesses to acquire or sell

Question # 11 of 20 (Start time: 04:07:53 PM) Total Marks: 1
All of these are pitfalls an organization should avoid in strategic planning EXCEPT:
Select correct option:

Using plans as a standard for measuring performance.
Using strategic planning to gain control over decisions and resources
Failing to involve key employees in all phases of planning
Being so formal in planning that flexibility and creativity are stifled

Question # 12 of 20 (Start time: 04:08:01 PM) Total Marks: 1
Which one of the following dimensions is NOT a recommended component of a mission statement?
Select correct option:

Self-concept
Markets
Strategies
Customers

Question # 13 of 20 (Start time: 04:08:08 PM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

A system of several rites connected with a single occasion or event is known as:
Select correct option:

Myth
Ceremonial
Saga
Legend

Question # 14 of 20 (Start time: 04:08:15 PM) Total Marks: 1
The total weighted score of IFE matrix developed for XYZ corporation is 3.5. Which of the following statement is TRUE about XYZ Corporation in the light of IFE matrix total weighted score?
Select correct option:

Corporation has strong external position
Corporation has weak internal position
Corporation has strong internal position
Corporation has weak external position

Question # 15 of 20 (Start time: 04:08:33 PM) Total Marks: 1
Which of the following is not a pitfall an organization should avoid in strategic planning?
Select correct option:

Failing to involve key employees in all phases of planning
Involving all managers rather than delegating planning to a planner
Top managers not actively supporting the strategic planning process
Doing strategic planning only to satisfy accreditation or regulatory requirements

Question # 16 of 20 (Start time: 04:08:40 PM) Total Marks: 1
In the process of developing a mission statement, which of the following is CORRECT?
Select correct option:

To involve as few managers as possible
To involve as many managers as possible
To involve upper-level management only
To involve the board of directors only

Question # 17 of 20 (Start time: 04:08:47 PM) Total Marks: 1
For the past four years the ABC Corporation has been planning to expand its operations in order to reach out to the world market. Essentially, the ABC Corporation desires to do what?
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Become an online business
Become a brick-n-mortar business
Embrace globalization
Become a click-n-mortar business

Question # 18 of 20 (Start time: 04:08:53 PM) Total Marks: 1
Political variables have a significant effect on which one of the following?
Select correct option:

Formulation and implementation of strategy
Formulation and Evaluation of a strategy
Implementation and evaluation of a strategy
Formulation, implementation and evaluation of a strategy

Question # 19 of 20 (Start time: 04:09:04 PM) Total Marks: 1
Assigning a rate=2 in IFE matrix indicates what?
Select correct option:

A major weakness
A minor weakness
A minor strength
A major strength

Question # 20 of 20 (Start time: 04:09:24 PM) Total Marks: 1
Which marketing function includes test marketing?
Select correct option:

Selling products/services
Customer analysis
Product/service planning
Distributing

Question # 1 of 20 (Start time: 05:02:46 PM) Total Marks: 1
Which of the following can be considered one of the factors of external opportunities and threats of an organization?
Select correct option:

Production/ operations
Research & development
Competitive trends
Management information system

Question # 2 of 20 (Start time: 05:03:36 PM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Which of the following arise when a company can take advantage of conditions in its environment to formulate and implement strategies that enable it to become more profitable?
Select correct option:

Strengths
Opportunities
Weaknesses
Threats

Question # 3 of 20 (Start time: 05:04:16 PM) Total Marks: 1
Rehman industries is 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?
Select correct option:

Strategy formulation
Strategy implementation
Strategy evaluation
All of the given options

Question # 4 of 20 (Start time: 05:04:32 PM) Total Marks: 1
The XYZ Organization has a statement that describes the needs for which the organization was created to fill and answers the basic question of why the organization exists. XYZ is most likely to have any one of the following?
Select correct option:

Strategy
Vision statement
Mission statement
Functional tactics

Question # 5 of 20 (Start time: 05:04:39 PM) Total Marks: 1
In the process of developing a mission statement, which of the following is CORRECT?
Select correct option:

To involve as few managers as possible
To involve as many managers as possible
To involve upper-level management only
To involve the board of directors only

Question # 6 of 20 (Start time: 05:04:47 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 7 of 20 (Start time: 05:05:04 PM) Total Marks: 1
A planned activity aimed at discovery of new knowledge with the hope of developing new or improved products and services and translation of its findings into a plan or design of new or improved products and services is known as:
Select correct option:

Marketing
Research and development
Production
Management information system

Question # 8 of 20 (Start time: 05:06:29 PM) Total Marks: 1
Investment decisions are also known as:
Select correct option:

Business finance
Capital structure
Capital budgeting
Dividend policy

Question # 9 of 20 (Start time: 05:06:47 PM) Total Marks: 1
Which one variable falls under the category of the Social, Cultural, Demographic, and Environmental Variable?
Select correct option:

Propensity of people to spend
Buying habits
Level of disposable income
Income differences by region

Question # 10 of 20 (Start time: 05:06:53 PM) Total Marks: 1
Which one of the followings best describes this statement; "The conditions that a company must satisfy in order to be able to enter an industry"?
Select correct option:

www.vuaskari.com

Economies of scale
Barriers to entry
Differentiation
Competitive environment

Question # 11 of 20 (Start time: 05:08:16 PM) Total Marks: 1
Which of the follwoing term represents the enduring statement of purpose that distinguish one business from other similar firms?
Select correct option:

Vision
Strategy
Mission
Tactics

Question # 12 of 20 (Start time: 05:08:32 PM) Total Marks: 1
In which of the following phase of strategic management, annual objectives are especially important?
Select correct option:

Formulation
Evaluation
Implementation
Management

Question # 13 of 20 (Start time: 05:08:39 PM) Total Marks: 1
Which of the following refers to determining the best capital structure for the company?
Select correct option:

Restructuring decisions
Financing decisions
Strategic decision
Investment decision

Question # 14 of 20 (Start time: 05:08:46 PM) Total Marks: 1
Following are the examples of the sectors that are more technologically oriented EXCEPT:
Select correct option:

Textile
Pharmaceutical
Telecommunications
Beverages

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Question # 15 of 20 (Start time: 05:08:52 PM) Total Marks: 1
Ethnic balance is affected due to which of the following?
Select correct option:

Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

Question # 16 of 20 (Start time: 05:08:59 PM) Total Marks: 1
Which of the following statement applies to Vision Statement?
Select correct option:

Describes the purpose of existence of an organization
Identify the customers of the organization
The key measure or measures of the organization's success
Depict the values of an organization

Question # 17 of 20 (Start time: 05:09:17 PM) Total Marks: 1
All of the following fall under the category of "Process" function of production management EXCEPT:
Select correct option:

Choice of technology
Quality assurance
Process flow analysis
Transportation analysis

Question # 18 of 20 (Start time: 05:10:41 PM) Total Marks: 1
Which of the following categories of ratios includes return on total assets and return on stockholders' equity as its types?
Select correct option:

Profitability
Leverage
Growth
Liquidity

Question # 19 of 20 (Start time: 05:10:51 PM) Total Marks: 1
Total weighted scores of IFE matrix below 2.5 characterizes an organizations as:
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Organization is externally weak
Organization is internally weak
Organization is internally strong
Organization is externally strong

Question # 20 of 20 (Start time: 05:11:09 PM) Total Marks: 1
All of these are pitfalls an organization should avoid in strategic planning EXCEPT:
Select correct option:

Using plans as a standard for measuring performance.
Using strategic planning to gain control over decisions and resources
Failing to involve key employees in all phases of planning
Being so formal in planning that flexibility and creativity are stifled

Question # 1 of 20 (Start time: 05:24:42 PM) Total Marks: 1
Principles of conduct that guide decision-making are known as:
Select correct option:

Human rights
Business ethics
The constitution
Social responsibility

Question # 2 of 20 (Start time: 05:25:04 PM) Total Marks: 1
Choose the economic variable from the list.
Select correct option:

Attitudes toward business
Attitudes toward product quality
Population changes by race
Stock market trends

Question # 3 of 20 (Start time: 05:25:12 PM) Total Marks: 1
Which of the following period strategic management was considered to be cure for all problems?
Select correct option:

Mid 1950s to mid 1960s
Mid 1960s to mid 1970s
Mid 1970s to mid 1980s
Mid 1980s to mid 1990s

Question # 4 of 20 (Start time: 05:25:18 PM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Defensive strategies include all of the following EXCEPT:
Select correct option:

Retrenchment
Acquisition
Divestiture
Liquidation

Question # 5 of 20 (Start time: 05:25:35 PM) Total Marks: 1
Strategist is an individual who is involved in the strategic management process, thus may be known as:
Select correct option:

Member board of director
President
Division manager
All of the given options

Question # 6 of 20 (Start time: 05:25:42 PM) Total Marks: 1
Reasons due to which some firms do "No Strategic Planning" incorporate all of the following EXCEPT:
Select correct option:

Wastage of time
Fire-fighting
Content with success
Privileged reward structures

Question # 7 of 20 (Start time: 05:25:47 PM) Total Marks: 1
According to Freund, Which one of the following should NOT be the characteristics of key external factors?
Select correct option:

Measurable
Relatively few in number
Applicable to all competing firms
Important to achieve long-term objectives

Question # 8 of 20 (Start time: 05:25:55 PM) Total Marks: 1
Which of the following statement applies to Vision Statement?
Select correct option:

Describes the purpose of existence of an organization

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Identify the customers of the organization
The key measure or measures of the organization's success
Depict the values of an organization

Question # 9 of 20 (Start time: 05:26:01 PM) Total Marks: 1
Which of the following statement is refered to 'Price fluctuation'?
Select correct option:

Decrease in prices
Increase in prices
Fluctuation in the prices of a particular commodity
Fluctuation in general price level

Question # 10 of 20 (Start time: 05:26:16 PM) Total Marks: 1
All of the following are the key questions that can reveal internal strengths and weaknesses in the management department EXCEPT:
Select correct option:

Is the organization's structure appropriate?
Are reward and control mechanisms effective?
Are the organization's products positioned well?
Does the firm use strategic management concepts?

Question # 11 of 20 (Start time: 05:27:06 PM) Total Marks: 1
Which of these is the allocation and reallocation of capital and resources to projects, products, assets and divisions of an organization?
Select correct option:

Investment decision
Financing decisions
Restructuring decisions
Strategic decision

Question # 12 of 20 (Start time: 05:27:52 PM) Total Marks: 1
Which of the following groups represents the stakeholders of a company?
Select correct option:

The owners of the company
The people who purchases the shares of the company
The people who have a special stake or claim on the company
Are the people who are in the management a company

Question # 13 of 20 (Start time: 05:28:00 PM) Total Marks: 1

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Strategic management integrates all of the following areas EXCEPT:
Select correct option:

Management
Marketing
Research and development
Human resource management

Question # 14 of 20 (Start time: 05:28:06 PM) Total Marks: 1
In Competitive Profile Matrix, the rating 4 indicates what?
Select correct option:

Major weakness
Major strength
Minor strength
Minor weakness

Question # 15 of 20 (Start time: 05:28:13 PM) Total Marks: 1
Corporate social policy should be designed and articulated during which phase of strategic management?
Select correct option:

Implementation
Formulation
Evaluation
Management

Question # 16 of 20 (Start time: 05:28:30 PM) Total Marks: 1
Which of the following ties all business functions together and provides the basis for all managerial decisions?
Select correct option:

Marketing
Information
Technology
Workforce

Question # 17 of 20 (Start time: 05:29:14 PM) Total Marks: 1
Which category of ratios measures "how effectively a firm can maintain its economic position in the growth of the economy and industry"?
Select correct option:

Liquidity

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Leverage
Activity
Growth

Question # 18 of 20 (Start time: 05:29:33 PM) Total Marks: 1
Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

Question # 19 of 20 (Start time: 05:29:39 PM) Total Marks: 1
Which one of the following area can be the weakness of a firm?
Select correct option:

Changing lifestyle
High oil prices
Ineffective Marketing
Increasing pollution

Question # 20 of 20 (Start time: 05:29:47 PM) Total Marks: 1
Effective mission statements don't have one of the following features:
Select correct option:

Generate range of feasible strategic alternatives
Reconcile interests among diverse stakeholders
What does the firm want to become
Provide criteria for selecting strategies

Question # 1 of 20 (Start time: 05:33:46 PM) Total Marks: 1
Which of the following is the benefit of strategic management?
Select correct option:

Fewer complexes
More complex
Less static
More profitable

Question # 2 of 20 (Start time: 05:34:18 PM) Total Marks: 1
Establishing and implementing ways of making things work is known as:
Select correct option:

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Planning
Organizing
Leading
Controlling

Question # 3 of 20 (Start time: 05:34:36 PM) Total Marks: 1
Various job titles of a strategist may includes all of the following EXCEPT:
Select correct option:

Owner
Foreman
Chancellor
Chief executive officer

Question # 4 of 20 (Start time: 05:34:53 PM) Total Marks: 1
What is the first step in the comprehensive strategic-management model?
Select correct option:

Performing external audits
Developing vision and mission statements
Performing internal audits
Measuring and evaluating performance

Question # 5 of 20 (Start time: 05:35:00 PM) Total Marks: 1
Where an organization takes into account the effect of its strategic decisions on the society, the firm is taking care of which of these?
Select correct option:

Corporate governance
Business policy
Business ethics
Social policy

Question # 6 of 20 (Start time: 05:35:07 PM) Total Marks: 1
Which of the following is not a strategy-implementation activity?
Select correct option:

Long term goals and objectives
Developing strategy supportive culture
Redirecting marketing efforts
Developing and utilizing information system

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Question # 7 of 20 (Start time: 05:35:21 PM) Total Marks: 1
In the process of developing a mission statement, which of the following is CORRECT?
Select correct option:

To involve as few managers as possible
To involve as many managers as possible
To involve upper-level management only
To involve the board of directors only

Question # 8 of 20 (Start time: 05:35:29 PM) Total Marks: 1
Which of the following is not a pitfall an organization should avoid in strategic planning?
Select correct option:

Failing to involve key employees in all phases of planning
Involving all managers rather than delegating planning to a planner
Top managers not actively supporting the strategic planning process
Doing strategic planning only to satisfy accreditation or regulatory requirements

Question # 9 of 20 (Start time: 05:35:37 PM) Total Marks: 1
The general conditions for competition that influence business firms, which provide similar products and services is known:
Select correct option:

Remote environment
International environment
External environment
Industry environment

Question # 10 of 20 (Start time: 05:35:47 PM) Total Marks: 1
Which of the following refers to a functional support role of an information system?
Select correct option:

What if…?" questions
What is the capacity of plant?
What do we do?
What if tax rate increases by 10%?

Question # 11 of 20 (Start time: 05:35:53 PM) Total Marks: 1
Backward integration is effective in all of the following situations EXCEPT:
Select correct option:

When an organization competes in an industry that is growing rapidly
When an organization needs to acquire a needed resource quickly

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

When the advantage of stable prices are not important
When present suppliers have high profit margins

Question # 12 of 20 (Start time: 05:36:08 PM) Total Marks: 1
When the Chief Executive of a chain of pharmacies decided to sell off or close some of the locations that were not profitable, he was performing which of the management function?
Select correct option:

Leading
Planning
Controlling
Organizing

Question # 13 of 20 (Start time: 05:36:40 PM) Total Marks: 1
Which of the following statement is refered to 'Price fluctuation'?
Select correct option:

Decrease in prices
Increase in prices
Fluctuation in the prices of a particular commodity
Fluctuation in general price level

Question # 14 of 20 (Start time: 05:36:46 PM) Total Marks: 1
A planned activity aimed at discovery of new knowledge with the hope of developing new or improved products and services and translation of its findings into a plan or design of new or improved products and services is known as:
Select correct option:

Marketing
Research and development
Production
Management information system

Question # 15 of 20 (Start time: 05:36:53 PM) Total Marks: 1
The social factors that affect a firm involve all of the following EXCEPT:
Select correct option:

Attitudes of people in the external environment
Lifestyles of people
Per capita income
Values and beliefs of persons outside the firm

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Question # 16 of 20 (Start time: 05:37:02 PM) Total Marks: 1
Financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Progression in profitability
Improvement in employee productivity
Expansion in the sales of business
Enhancement in productivity

Question # 17 of 20 (Start time: 05:37:08 PM) Total Marks: 1
Which category of ratios measures a firm's ability to meet maturing short-term obligations?
Select correct option:

Profitability
Leverage
Liquidity
Activity

Question # 18 of 20 (Start time: 05:37:23 PM) Total Marks: 1
Internal analysis involves gathering and analyzing the information about all areas of a firm EXPECT:
Select correct option:

Research nad development
Management information system
Marketing
Competitors

Question # 19 of 20 (Start time: 05:37:38 PM) Total Marks: 1
Which of the following is one of the Political, Governmental & legal factors?
Select correct option:

Ethical concerns
Traffic congestion
Lobbying activities
Average level of education

Question # 20 of 20 (Start time: 05:37:44 PM) Total Marks: 1
Which of these basic questions a vision statement answers?
Select correct option:

What is our business?

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

www.vuaskari.com

Composed & Solved
Hafiz Salman Majeed
Vu Askari Team
www.vuaskari.com

Who are our employees?
What do we want to become?
Who are our competitors?

www.vuaskari.com

Note: Solve these papers by yourself
This VU Group is not responsible for any solved content
www.vuaskari.com

MGT 603 Strategic Management Quiz #4

File Prepared By
Fizza Dastgir

Which one of the following is NOT a major region of IE matrix?
Select correct option:

Grow and build
Grow and maintain
Hold and maintain
Harvest or divest

What is “Apna Hai” as usually seen in the promos of Mobilink’s Jazz brand?
Select correct option:

Mission Statement
Vision
Slogan
Customer Feedback

Question # 3 of 20 (Start time: 09:37:34 PM) Total Marks: 1
Business units that have low market share and are operating in slow-growing industry should choose all of the following EXCEPT:
Select correct option:

Distribution efficiency
Production efficiency
New investments
Product innovation

Which of these is an attractive strategy for a cash cow division?
Select correct option:

Concentric diversification
Horizontal integration
Conglomerate diversification
Backward integration

According to Freund, Which one of the following should NOT be the characteristics of key external factors?
Select correct option:

Measurable
Relatively few in number
Applicable to all competing firms
Important to achieve long-term objectives

Internal Factor Evaluation (IFE) is concerned with evaluating:
Select correct option:

Training & Development of a business
Planning & Implementaion of a business
Strengths & Weaknesses of a business
Research & Development of a business

Which strategy seeks to increase market share of present products or services in present markets through greater marketing efforts?
Select correct option:

Market penetration
Market development
Backward integration
Product development

To whom a planning horizon of two to five years applies?
Select correct option:

Top management
Middle management
Lower management
All levels

"Institutionalizing a merit and performance culture" is a segment phrase taken from the Mission Statement of National Bank of Pakistan. It signifies which of the following element or characteristic of Mission Statement?
Select correct option:

Technology
Philosophy
Products or Services
Target market

Adding new but unrelated products or services for appealing present customers is known as:
Select correct option:

Forward integration
Backward integration
Conglomerate diversification
Horizontal diversification

Din Mohammad, a farmer sells his crops at the local market rather than to a distribution center. This action of Din Mohammad comes under which of the following?
Select correct option:

Backward integration
Product development
Forward integration
Horizontal integration

Economies of Scale in simple terms, refers to:
Select correct option:

Increase in Cost over the long-run
Decrease in Cost over the long-run
Consistency in Cost over the long-run
None of the above

IE matrix is based on which dimensions?
Select correct option:

Market share and industry growth
Financial strength and industry strength
Weighed scores of IFE and EFE matrices
Market growth and competitive position

Cost/Benefit Analysis is performed in which function of Marketing?
Select correct option:

Product Planning
Opportunity Analysis
Distribution
Pricing

Select the Demographic variable among the following:-
Select correct option:

Technology
Cost
Ethnicity
Machinery

All of these are pitfalls an organization should avoid in strategic planning EXCEPT:
Select correct option:

Using plans as a standard for measuring performance.
Using strategic planning to gain control over decisions and resources
Failing to involve key employees in all phases of planning
Being so formal in planning that flexibility and creativity are stifled

Which of the following is a defensive strategy that involves the reduction of costs and assets by a company in order to survive and recover from declining profits?
Select correct option:

Divestiture
Retrenchment
Low cost
Liquidation

A chance for advancement, progress or profit prevailing in external environment of a company is known as:
Select correct option:

Strength
Weakness
Opportunity
Threat

The situation in Pakistan related to Business Ethics is:-
Select correct option:

Same as the rest of the world
Better than the rest of the world
Pakistan is the role model to follow for the rest of the countries
Pakistan cannot be compared with the rest of the world

Which of the following statement is TRUE about a Vision statement of a company?
Select correct option:

It concentrates on future
It defines the customers
It identify critical processes
It informs about the desired level of performance

What does CPM stands for?
Select correct option:

Competitive Porter's Model
Consolidated Profile Model
Competitive Profile Model
Competitive Profile Matrix

Which of the following step in the strategic development process involves mobilizing employees and managers to put strategies into action?
Select correct option:

Formulating strategy
Strategy evaluation
Implementing strategy
Strategy planning

Long-Term Goals are those which are planned for more than:-
Select correct option:

5 years
1 year
1 decade
6 months

Most of the human resource management practices evolved out of which one of the following functions of Management:
Select correct option:

Staffing
Controlling
Leading
Organizing

What type of strategies would you recommend when a firm's SPACE Matrix directional vector has coordinates (-2, +3)?
Select correct option:

Aggressive
Conservative
Competitive
Defensive

What happens to the demand for discretionary goods when interest rates rise?
Select correct option:

Rises
Declines
Remains the same
First rises then declines

The range of the ratings of a Competitive Profile Matrix is from:
Select correct option:

Major Weakness to Minor Strength
Major Weakness to Major Strength
Minor Weakness to Minor Strength
Major Strength to Minor Weakness

Test marketing is commonly applied by which of the following companies?
Select correct option:

Industrial goods companies
Consumer goods companies
Public sector companies
Private sector companies

What does IFE Matrix evaluates?
Select correct option:

strengths & opportunities
threats & weaknesses
strengths & weaknesses
strengths & threats

If “Bonus” washing powder is produced with the lowest cost as compared to other washing powders to acquire competitive edge, then the management of this brand is using:
Select correct option:

Cost Leadership Strategies
Differentiation Strategies
Focus Strategies
None of the above

Which of the following are the factors that concern the nature and direction of the economy in which a firm operates?
Select correct option:

Technological
Ecological
Social
Economic

Din Mohammad, a farmer sells his crops at the local market rather than to a distribution center. This action of Din Mohammad comes under which of the following?
Select correct option:

Backward integration
Product development
Forward integration
Horizontal integration

Which of these is an attractive strategy for a cash cow division?
Select correct option:

Concentric diversification
Horizontal integration
Conglomerate diversification
Backward integration

If Mr. Ali works in the personnel department of a textile factory and primarily manages Labour Relations and Employee Safety matters. He is performing which function of Management?
Select correct option:

Controlling
Planning
Staffing
Organizing

According to Porter, which strategy offers products or services to a small range of customers at the lowest price available on the market?
Select correct option:

Low cost
Best value
Cost focus
Differentiation

If Adamjee Insurance company starts a new Adamjee Bank under its corporate umbrella, then it is applying which strategy?
Select correct option:

Concentric Diversification
Conglomerate Diversification
Retrenchment
Forward Integration

Quick Ratio also known as?
Select correct option:

Gross Profit Margin
Acid Test Ratio
Return on Total Assets
Current Ratio

Retrenchment strategy should be followed by which one of the following firms?
Select correct option:

Firm with its SPACE matrix vector in defensive quadrant
Firm with its SPACE matrix vector in aggressive quadrant
Firm with its SPACE matrix vector in conservative quadrant
Firm with its SPACE matrix vector in competitive quadrant

When the firm is located in Quadrant I of grand strategy matrix and it has excessive resources, it is effective to peruse what strategies?
Select correct option:

Diversification strategies
Intensive strategies
Integration strategies
Defensive strategies

Patent Laws are governed in Pakistan by:
Select correct option:

Patents Authority of Pakistan
Patent Rights Commission of Pakistan
Intellectual Property Organization, Pakistan
Patents Regulatory Authority

When the firm is located in Quadrant I of grand strategy matrix and it has excessive resources, it is effective to peruse what strategies?
Select correct option:

Diversification strategies
Intensive strategies
Integration strategies
Defensive strategies

All of the following are the indicators of industry strength for an organization EXCEPT:
Select correct option:

Financial stability
Ease of entry into the market
Geographic and product freedom
Control over suppliers

In the SPACE analysis, what does (+6, +3) strategy profile portray?
Select correct option:

A strong industry with strong financial strength
A stable environment with strong financial strength
A stable environment for highly competitive firm
A strong industry operating in stable environment

R&D stands for?
Select correct option:

Rigour & Dissemination
Research & Development
Roots & Development
Research & Declaration

Which of the following is not a key question that can reveal internal strengths and weaknesses of the marketing department?
Select correct option:

Does the firm have an effective sales organization?
Are markets segmented effectively?
Are the firm's products and services priced appropriately?
Does the firm have good liquidity?

which one of the following is a source of corporate information:
Select correct option:

Moody's Manuals
Gantt Charts
Likert Scale
Nominal Scale

Smoothies Tire & Rubber Co. is selling its North American tire business to Avinza International, is an example of which type of strategy?
Select correct option:

Related diversification
Retrenchment
Divestiture
Liquidation

What does IFE Matrix evaluates?
Select correct option:

strengths & opportunities
threats & weaknesses
strengths & weaknesses
strengths & threats

You are asked to prepare the IE Matrix of Roxon Incorporation. Your findings reveal that its Southern division falls in IX cell of IE Matrix. How will you interpret your findings?
Select correct option:

It can be managed best with Harvest or divest strategies
It can be managed best with Grow and Build strategies
It can be managed best with Grow and Maintain strategies
It can be managed best with Hold and Maintain strategies

Selling includes all of the following marketing activities EXCEPT:
Select correct option:

Advertising
Pricing
Sales promotion
Customer relations

If Mr. Aslam is only a supplier of the ABC Company, then which term is most suitable to signify the relationship of Mr. Aslam with the ABC Company?
Select correct option:

Stockholder
Stakeholder
Strategist
Leader

"Other than ranking strategies to achieve the prioritized list, there is only one analytical technique which is designed to determine the relative attractiveness of feasible alternative actions". This technique is known as:
Select correct option:

SPACE
QSPM
IFE
CPM

Do you agree with the notion that the Mission Statement may reflect the concern for employees of that respective organization?
Select correct option:

I agree
I disagree
I neither agree nor disagree
I don’t know

Which stage of the strategy-formulation framework focuses on generating feasible alternative strategies?

Select correct option:
Input
Output
Decision
Matching

In the SPACE analysis, what does (-1, -5) strategy profile portray?
Select correct option:

A highly competitive firm operating in an unstable environment
A highly competitive firm operating in a weak industry
A firm with weak competitiveness operating in stable environment
A financially strong firm operating in an unstable environment

Leverage ratios assess the degree to which a firm has been financed by?
Select correct option:

Debt
Equity
Total Assets
Cash

Performance Appraisal is an important practice nowadays, which evolved out of which function of Management?

Select correct option:
Planning
Organizing
Controlling
Motivating

Which one of the following is not a source of information for Internal Audit:
Select correct option:

Management Information Systems
Finance Department
Archives of Government regulations
Production & Operations

BCG matrix is used in matching stage of strategy formulation framework. It plots the business units along which of the following dimensions?
Select correct option:

Market share and industry strength
Market share and market growth rate
Market growth rate and competitive position
Market growth rate and environment stability

All of the following are the steps for the development of IE matrix EXCEPT:
Select correct option:

Plot IFE total weighted scores on the x-axis
Plot EFE total weighted scores on the y axis
Determine the region into which the division falls
Determine the quadrant where position vector lies

Which analytical tool consists of a nine-cell matrix?
Select correct option:

Competitive Profile Matrix
SPACE Matrix
Grand Strategy Matrix
Internal-External Matrix

"Other than ranking strategies to achieve the prioritized list, there is only one analytical technique which is designed to determine the relative attractiveness of feasible alternative actions". This technique is known as:
Select correct option:

SPACE
QSPM
IFE
CPM

Which one of the following is a Liquidity ratio?
Select correct option:

Leverage Ratio
Average Collection PEriod
Acid-Test Ratio
Earnings per Share

The brand “Djuice” is a unique product in the sense that it exclusively targets the specific niche or segment of ‘youth influenced from the Western/American culture’, the strategy used in designing this product is:
Select correct option:

Cost Leadership Strategies
Focus Strategies
Integration Strategies
None of the above

Economies of Scale in simple terms, refers to:
Select correct option:

Increase in Cost over the long-run
Decrease in Cost over the long-run
Consistency in Cost over the long-run
None of the above

Which of the following can be considered one of the factors of external opportunities and threats of an organization?
Select correct option:

Production/ operations
Research & development
Competitive trends
Management information system

Adding new, unrelated products or services is called:
Select correct option:

Forward integration
Backward integration
Conglomerate diversification
Concentric diversification

The XYZ Organization has a statement that describes the needs for which the organization was created to fill and answers the basic question of why the organization exists. XYZ is most likely to have any one of the following?
Select correct option:

Strategy
Vision statement
Mission statement
Functional tactics

Which of the following are two positive-rated dimensions on SPACE Matrix?
Select correct option:

FS and CA
CA and ES
FS and IS
IS and ES

Which one of the following is a Liquidity ratio?
Select correct option:

Leverage Ratio
Average Collection PEriod
Acid-Test Ratio
Earnings per Share

Which of the following is NOT a component of external environment analysis?
Select correct option:

Customer satisfaction feedback
Global impacts
Legal issues within the industry
Competitive position of rival companies

Which of the following are the five forces that affect the level of competition in an industry?
Select correct option:

Threat of entrants; power of buyers; power of suppliers; threat of substitutes; competitive rivalry
Threat of buyers; power of entry; power of substitutes; threat of suppliers; threat of recession
Threat of recession; power of buyers; power of suppliers; threat of management failure; competitive rivalry
Threat of entry; power of buyers; power of suppliers; threat of substitutes; government action

In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?
Select correct option:

SO Strategy
WO Strategy
SW Strategy
ST Strategy

Which analytical tool consists of a nine-cell matrix?
Select correct option:

Competitive Profile Matrix
SPACE Matrix
Grand Strategy Matrix
Internal-External Matrix

What is the final step for preparing External Factor Evaluation (EFE) Matrix ?
Select correct option:

Assigning weight to each external factor
Identifying external factors
Adding the weighted score for each factor
Rating each factor from 1 to 4

Which stage of the "Strategy Formulation Framework" includes an External Factor Evaluation Matrix and a Competitive Profile Matrix?
Select correct option:

Input stage
Output stage
Matching stage
Decision stage

Which of the following identified that “strategic management encourages forward thinking, favourable attitudes towards change and discipline to the management of business”?
Select correct option:

Greeley
Greenly
Greenley
Greenwich

Which of these strategies is effective when the number of suppliers is small and the number of competitors is large?
Select correct option:

Conglomerate diversification
Forward integration
Backward integration
Horizontal diversification

What strategies are appropriate for the divisions that fall in grow and build region of IE matrix?
Select correct option:

Defensive and integrative strategies
Intensive and integrative strategies
Diversification and intensive strategies
Defensive and diversification strategies

What is the systematic gathering, recording, and analyzing of data about problems relating to the marketing of goods and services?
Select correct option:

Management
Planning
Marketing Research
Market segmentation

Which cell of the SWOT Matrix involves matching internal strengths with external opportunities?
Select correct option:

The WT cell
The SW cell
The ST cell
The SO cell

Which of the following refers to determining the best capital structure for the company?
Select correct option:

Restructuring decisions
Financing decisions
Strategic decision
Investment decision

Generic Strategies were proposed by:
Select correct option:

Michael Flintstone
Abraham Maslow
Michael Porter
Kevin Carter

External assessment is performed in which of the strategic management phase?
Select correct option:

Strategy formulation stage
Strategy implementation stage
Strategy evaluation stage
All of the given options

Which of the following is the process of influencing people to accomplish specific objectives?
Select correct option:

Staffing
Motivating
Controlling
Organizing

In marketing, who is the central focus of most of the activities?
Select correct option:

Director
Supplier
Customer
Marketer

The ability of a firm to accomplish its short-term obligations is calculated by which ratio?
Select correct option:

Earnings per Share
Current Ratio
Profitability Ratio
Return on Total Assets

Following are the examples of the sectors that are more technologically oriented EXCEPT:
Select correct option:

Textile
Pharmaceutical
Telecommunications
Beverages

Which one of the statements below is TRUE in the context of Strategic Management:-
Select correct option:

Natural resources are abundant.
Natural Resources are unlimited.
Natural Resources are scarce.
Natural Resources are every where.

Which of the following are two negative-rated dimensions on SPACE Matrix?
Select correct option:

FS and CA
CA and ES
FS and IS
IS and ES

For the past four years the ABC Corporation has been planning to expand its operations in order to reach out to the world market. Essentially, the ABC Corporation desires to do what?
Select correct option:

Become an online business
Become a brick-n-mortar business
Embrace globalization
Become a click-n-mortar business

ABC firm is facing high production costs in Pakistan due to expensive raw material. The firm is formulating a strategy of capturing European market because of low priced raw material and high demand of their products in Europe. Keeping in view the mentioned situation which of the following strategies ABC firm must pursue?
Select correct option:

WO Strategy
SW Strategy
ST Strategy
WT Strategy

Technological advancements can create which of the following advantage besides many other existing powerful advantages for the businesses?
Select correct option:

Economic
Competitive
Social
Environmental

Which of the followings deals with the management of inputs, transformations and outputs that vary across industries and markets?
Select correct option:

Marketing
Finance
Operations
Distribution

Which of the following stages of "Strategy Formulation Framework" involves developing Internal-Factor Evaluation Matrix?
Select correct option:

Input stage
Output stage
Matching stage
Decision stage

Which of the following can be best described as short-term in nature?
Select correct option:

Mission statements
Annual objectives
Strategies
Vision statement

According to the Grand Strategy Matrix, in which quadrant organizations have a strong competitive position but are in a slow-growth industry?
Select correct option:

I
II
III
IV

Which of the following depicts the signs of strength of a company's competitive position?
Select correct option:

A debt-to-asset ratio below 0.50 and higher EPS.
A website with extensive information about the company and its product line.
An annual R&D and advertising expenditures greater than $10 million.
A strongly differentiated product, a strong or rising market share.

Firm with its SPACE matrix vector in conservative quadrant may peruse all of the following strategies EXCEPT:
Select correct option:

Market penetration
Product development
Market development
Divestiture

Which of the following are developed in strategy implementation phase of strategic management?
Select correct option:

Vision and mission
Annual objectives
Strengths and weaknesses
Opportunities and threats

The total weighted score of IFE matrix developed for XYZ corporation is 3.5. Which of the following statement is TRUE about XYZ Corporation in the light of IFE matrix total weighted score?
Select correct option:

Corporation has strong external position
Corporation has weak internal position
Corporation has strong internal position
Corporation has weak external position

External forces directly affect all of the following EXCEPT:
Select correct option:

Market segmentation strategies
Types of products/services offered
Management structure of organization
Choice of businesses to acquire or sell

Investment decisions are also known as:
Select correct option:

Business finance
Capital structure
Capital budgeting
Dividend policy

Which of the following is NOT a characteristic of well-constructed goals?
Select correct option:

Address important issues
Easy to remember
Precise and measurable
Challenging but realistic

What are dividend decisions concerned with?
Select correct option:

That how much percentage of the profit will be paid to the stockholders.
That how much allocation will be made from which discounts will be offered to customers.
That how much loan will be required from a bank.
That how much finance will be needed to repair depreciated machinery.

Which of the followings best describes the Horizontal integration?
Select correct option:

A firm takes over a supplier
A firm takes over a distributor
A firm takes over a competitor
A firm takes over a manufacturer

Which of the following strategy should be perused first by the Irtiza Insurance Company as it is located in Quadrant III of the Grand Strategy Matrix?
Select correct option:

Diversification
Liquidation
Retrenchment
Divestiture

IE matrix is based on which dimensions?
Select correct option:

Market share and industry growth
Financial strength and industry strength
Weighed scores of IFE and EFE matrices
Market growth and competitive position

What happens to the demand for discretionary goods when interest rates rise?
Select correct option:

Rises
Declines
Remains the same
First rises then declines

ABC company is competing in an industry where the growth rate of that industry from year to year has reached or is close to zero, ABC is operating in which industry?
Select correct option:

Growing industry
Emerging industry
Mature industry
Declining industry

Which of the following decisions determine the amount of funds that are retained in a firm compared to the amount paid out to stockholders?
Select correct option:

Financing
Investment
Capital
Dividend

Strategist is an individual who is involved in the strategic management process, thus may be known as:
Select correct option:

Member board of director
President
Division manager
All of the given options

Which one of the following includes questions like, what is our business? And what are the values and preferences of an organization?
Select correct option:

Priority Statement
Mission Statement
Motivation Statement
Problem Statement

Which of the following is NOT a SPACE Matrix quadrant?
Select correct option:

Aggressive
Defensive
Competitive
Offensive

All of the following are included in the five functions of the management process EXCEPT:
Select correct option:

Planning
Organizing
Leading
Delegating

Which strategic management analytical tool has four quadrants based on two dimensions i.e. competitive position and market growth?
Select correct option:

Internal-External Matrix
SPACE Matrix
Grand Strategy Matrix
QSPM

Which of the following period strategic management was considered to be cure for all problems?
Select correct option:

Mid 1950s to mid 1960s
Mid 1960s to mid 1970s
Mid 1970s to mid 1980s
Mid 1980s to mid 1990s

When both divestiture and retrenchment have been pursued unsuccessfully, which of the following strategies is effective to pursue?
Select correct option:

Forward integration
Liquidation
Merger
Takeover

Principles of conduct that guide decision-making are known as:
Select correct option:

Human rights
Business ethics
The constitution
Social responsibility

Which one of the following functions of Management is most important in Strategy Formulation:
Select correct option:

Staffing
Planning
Leading
Organizing

Business units that have low market share and are operating in slow-growing industry should choose all of the following EXCEPT:
Select correct option:

Distribution efficiency
Production efficiency
New investments
Product innovation

Which of the following is the highest possible weighted score for the organization in IFE matrix?
Select correct option:

1.0
1.5
2.5
4.0

MGT603 Quiz # 1 FALL 2011

By

Fizza Dastgir Bhatti

www.vuaskari.com

Fizza Dastgir

Identify the factor among the following which is NOT directly related to "Opportunities & Threats":-
Select correct option:

A potential product envisioned by a firm to fulfill an existing need
Youth under the age of 25 years
A new law related to taxes enacted by the Government
Skilled and experienced manpower of a company

Who have proposed some of the characteristics of a customer oriented mission statement?
Select correct option:

Boston Consultants
Max Planck
Vern McGinnis
Leon Festinger

The analysis of industry's major competitors' strengths may give an insight of which one of these?
Select correct option:

Key threats for the firm
Key opportunities for the firm
Both opportunities and strengths for the firm
None of the given options

The XYZ Organization has a statement that describes the needs for which the organization was created to fill and answers the basic question of why the organization exists. XYZ is most likely to have any one of the following?
Select correct option:

Strategy
Vision statement
Mission statement
Functional tactics

Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

All of the following are included in the five functions of the management process EXCEPT:
Select correct option:

Planning
Organizing
Leading
Delegating

The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing

Fiza Dastgir

Leading
Controlling

Which of the following are the five forces that affect the level of competition in an industry?
Select correct option:

Threat of entrants; power of buyers; power of suppliers; threat of substitutes; competitive rivalry
Threat of buyers; power of entry; power of substitutes; threat of suppliers; threat of recession
Threat of recession; power of buyers; power of suppliers; threat of management failure; competitive rivalry
Threat of entry; power of buyers; power of suppliers; threat of substitutes; government action

To whom a planning horizon of two to five years applies?
Select correct option:

Top management
Middle management
Lower management
All levels

OPEC is an organization of different countries which is engaged in the trade of what?
Select correct option:

Petroleum
Jute
Solar energy
Nuclear energy

All of the following are the key questions that can reveal internal strengths and weaknesses in the management department EXCEPT:

Fizza Dastgir

Select correct option:

Is the organization's structure appropriate?
Are reward and control mechanisms effective?
Are the organization's products positioned well?
Does the firm use strategic management concepts?

In which of the following phase of strategic management, annual objectives are especially important?
Select correct option:

Formulation
Evaluation
Implementation
Management

If Mr. A and Mr. B starts a simple contracting business of building schools. Here, Mr. A provides the finance, and Mr. B provides the labour by hiring, compensating and managing labourers. Here, mainly which function of Management is performed by Mr. B?
Select correct option:

Planning
Motivating
Staffing
Organizing

Which of the following ties all business functions together and provides the basis for
all managerial decisions?
Select correct option:
Marketing
Information
Technology
Workforce

Strategy formulation stage includes all of the following EXCEPT:
Select correct option:
Vision and mission
Strength and weakness

Fizza Dastgir

Opportunities and threats

External assessment is performed in which of the following strategic management
phase?
► Strategy formulation stage
► Strategy implementation stage
► Strategy evaluation stage
► All of the given options

Which of the following is best identified as a statement that presents “a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive”?
Select correct option:
Corporate philosophy statement
Company creed
Vision statement
Mission statement

IE Matrix consists of how many cells?
Select correct option:
Seven
Eight
Nine
Ten

All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:
Select correct option:
Tax rates
Trust in government
Pak-India relationships
Patent laws

Which of the following depicts the signs of strength of a company's competitive position?
Select correct option:
A debt-to-asset ratio below 0.50 and higher EPS.

Tizza Dastgir

A website with extensive information about the company and its product line.
An annual R&D and advertising expenditures greater than $10 million.
A strongly differentiated product, a strong or rising market share.

Which management function includes breaking tasks into jobs, combining jobs to form departments and delegating authority?
Select correct option:
Motivating
Staffing
Organizing
Planning

Which of the following is the process of influencing people to accomplish specific objectives?
Select correct option:
Staffing
Motivating
Controlling
Organizing

Internal Factor Evaluation (IFE) is concerned with evaluating:
Select correct option:

Training & Development of a business
Planning & Implementaion of a business
Strengths & Weaknesses of a business
Research & Development of a business

All of the following are the key questions that can reveal internal strengths and weaknesses in the management department EXCEPT:
Select correct option:

Is the organization's structure appropriate?
Are reward and control mechanisms effective?
Are the organization's products positioned well?
Does the firm use strategic management concepts?

Which of the following is the benefit of strategic management?
Select correct option:

Sara Dastgir

Fewer complexes
More complex
Less static
More profitable

Which one of the following is not a cultural product:
Select correct option:

technology
rituals
taboos
values

All of the following are the key questions that can reveal internal strengths and weaknesses in the management department EXCEPT:
Select correct option:

Is the organization's structure appropriate?
Are reward and control mechanisms effective?
Are the organization's products positioned well?
Does the firm use strategic management concepts?

Which one of the following should be the most concise one?
Select correct option:

Vision
Mission
Human Resources Policy
Business Plan

Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company's future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Fizza Dastgir

Patent Laws are governed in Pakistan by:
Select correct option:

Patents Authority of Pakistan
Patent Rights Commission of Pakistan
Intellectual Property Organization, Pakistan
Patents Regulatory Authority

Which of the following is not a strategy-implementation activity?
Select correct option:

Long term goals and objectives
Developing strategy supportive culture
Redirecting marketing efforts
Developing and utilizing information system

A potential development of substitute product most possibly develops an environment of:
Select correct option:

Disarray
Anarchy
Competition
Mutual respect

The social factors that affect a firm involve all of the following EXCEPT:
Select correct option:

Attitudes of people in the external environment
Lifestyles of people
Per capita income
Values and beliefs of persons outside the firm

Ethnic balance is affected due to which of the following?
Select correct option:

Change in ethnic values
Awareness of ethnic norms

Aiza Dastgir

Migration of the people towards different areas
Introduction of new laws relating to ethnicity

Which of the following can be best described as short-term in nature?
Select correct option:

Mission statements
Annual objectives
Strategies
Vision statement
Rationale: Annual objectives are set for 12 months which is short term period.

Which of the following is the greatest advantage of international operations?
Select correct option:

Reduced tariffs and taxes
Access to global business practices
Gaining new customers
Less-intense competition

While preparing an External Factor Evaluation matrix, a total score of 0.8 indicates what?
Select correct option:

Firm is taking advantages of strengths and avoiding threats
Firm is not taking advantages of opportunities and is avoiding threats
Firm is not taking advantages of opportunities and is not avoiding threats
Firm is taking advantage of opportunities and is avoiding the threats

During which stage of strategic management, firm's specific internal strengths and weaknesses are determined?
Select correct option:

Formulation
Implementation
Evaluation
Feedback

Fiza Dastgir

Political variables have a significant effect on which one of the following?
Select correct option:

Formulation and implementation of strategy
Formulation and Evaluation of a strategy
Implementation and evaluation of a strategy
Formulation, implementation and evaluation of a strategy

Which one of the following is NOT a basic mission of a competitive intelligence program?
To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

Strategist is an individual who is involved in the strategic management process, thus may be known as:
Select correct option:

Member board of director
President
Division manager
All of the given options

The prime function of EFE Matrix is to:
Select correct option:

Fizza Dastgir

Train employees of the organization.
Evaluate the performance of employees.
Evaluate the industry to which the firm belongs.
help in understanding financial ratios.

By which term Strategic Management is known in the industry or practical circles?
Select correct option:

Strategic Organization
Strategic Evaluation
Strategic Planning
Strategic Inference

REF: confirm from book (fred david)

Formulating the Vision and Mission statements of a business is an activity under which function of Management?
Select correct option:

Planning
Organizing
Controlling
Motivating

Which of the following is not a strategy-implementation activity?
Select correct option:

Long term goals and objectives
Developing strategy supportive culture
Redirecting marketing efforts
Developing and utilizing information system

E-Commerce means:
Select correct option:

Fizza Dastgir

The application of engineering in trade
The application of IT in trade
The application of mechatronics in trade
The application of aeronautics in internet

What happens to the demand for discretionary goods when interest rates rise?
Select correct option:

Rises
Declines
Remains the same
First rises then declines

Which of the following refers to the belief related to objectives setting that "the true
measure of a really good strategist is the ability to solve problems"?

Managing by objectives
Managing by extrapolation
Managing by crisis
Managing by subjectives

Which of the following statement is TRUE about a Vision statement of a company?
It concentrates on future
It defines the customers
It identify critical processes
It informs about the desired level of performance

Fiza Dastgir

Which of the following is NOT a component of external environment analysis?
Customer satisfaction feedback
Global impacts
Legal issues within the industry
Competitive position of rival companies

Which of the following is the best example for acheiving long-term objectives?
Strengths
Strategies
Policies
Opportunities

Which type of trend can be exemplified by the increase in average level of education in a society?
Social
Economic
Cultural
Technological

Principles of conduct that guide decision-making are known as:
Human rights
Business ethics
The constitution
Social responsibility

A Good mission statement identifies the utility of a firm's products to its customers"; which of the following represents this statement?

Organization's philosophy
Customer orientation

Fiza Dastgir

Social policy
Declaration of attitude

Which of the following can be the weakness of an organization?
Price war
Poor location of business
Increased trade barriers
Innovative substitute product

The Strategic Management Model illustrated in this course is taken from the book, written by:-
Select correct option:

Michael H. Nash
Fred R. David
Geoffrey Wilson
Henry Ford

What is the final step for preparing External Factor Evaluation (EFE) Matrix ?
Select correct option:

Assigning weight to each external factor
Identifying external factors
Adding the weighted score for each factor
Rating each factor from 1 to 4

Input stage of strategy formulation framework includes developing which of the following set of strategies?
Select correct option:
IFE, EFE and QSPM Matrix
IFE, IE and BCG Matrix
IFE, CPM and EFE Matrix
EFE, IE and CPM Matrix

Fiza Dastgir

What is the first step in the comprehensive strategic-management model?
Select correct option:

Performing external audits
Developing vision and mission statements
Performing internal audits
Measuring and evaluating performance

During which stage of strategic management, firm's specific internal strengths and weaknesses are determined?
Select correct option:

Formulation
Implementation
Evaluation
Feedback

Question # 7 of 10 (Start time: 11:01:46 PM) Total Marks: 1
Which of the following is the best example for acheiving long-term objectives?
Select correct option:

Strengths
Strategies
Policies
Opportunities

Which one of the following is determined in a Internal Factor Evaluation Matrix:
Select correct option:

Central Tendency
Standard Deviation
Weighted Score
Variance

What is the other term used for Environmental Strategic Management Audit?
Select correct option:

Human Resource Audit
Industry Analysis

Fizza Dastgir

Gainsharing
Job Analysis

Why would the Government regulate to protect local restaurants from Multinationals like McDonalds and KFC?
Select correct option:

Because McDonalds and KFC do not pay the taxes as agreed with them.
Because the local restaurants are owned by Pakistanis and it will ensure that the money earned out of their business will not go to foreign entrepreneurs.
Because the quality of food at McDonalds and KFC is not good.
Because the food products selled by McDonalds and KFC are not "halaal".

NAFTA includes which countries ?
Select correct option:

United States, Mexico & Argentina
Brazil, Mexico & Barbados
United States, Mexico & Canada

“Is the firm responsive to social, community, and environmental concerns?” is an appropriate question for which of the following element or characteristic of Mission Statement?
Select correct option:

Technology
Concern for public image
Products or Services
Telecommuting

Rehman industries is 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?
Select correct option:

Strategy formulation
Strategy implementation

Iza Dastgir

Strategy evaluation

Which one of the following does NOT come under the scope of Industry Analysis?
Select correct option:

The deficiency of cotton in Textile Industry due to a recent flood
A new general tax imposed by the government on businesses earning more than Rs 100,000 all over the country.
An industry-wide strike by the Labor Unions in all the textile mills.
The shortage of wood as a raw material in the match industry.

Most of the scholars are of the view that which one of the following precedes Mission
Select correct option:

sLOan
finanacial plan
vision
bis plan

Deciding whether the organizational structure of a business should be horizontal or vertical is a decision under?
Select correct option:

Organizing
Controlling
Motivating
Staffing

The general conditions for competition that influence business firms, which provide similar products and services is known:
Select correct option:

Remote environment
International environment

Fizza Dastgir

External environment (I go for this)
Industry environment

All of the following would represent possible threats to the ABC Company EXCEPT which one of the following?
Select correct option:

Improved buyer or supplier relationships
New or revised regulations
Slow industry/market growth
Entrance of new competitors

Hispanic are the people who speak which language ?
Select correct option:

Turkish
Spanish
French
Italian

SAARC stands for?
Select correct option:

South Asian Association for Regional Cooperation
South Asian Agreement for Regional Cooperation
South Asian Association for Rigorous Cooperation
South Atlantic Association for Regional Cooperation

Which of the following can be considered one of the factors of external opportunities and threats of an organization?
Select correct option:

Production/ operations
Research & development
Competitive trends
Management information system

Fiza Dastgir

Which of the following step in the strategic development process involves mobilizing employees and managers to put strategies into action?
Select correct option:

Formulating strategy
Strategy evaluation
Implementing strategy
Strategy planning

Which one of the following includes questions like, what is our business? And what are the values and preferences of an organization?
Select correct option:

Priority Statement
Mission Statement
Motivation Statement
Problem Statement

Which of the following statement is referred to 'Price fluctuation'?
Select correct option:

Decrease in prices
Increase in prices
Fluctuation in the prices of a particular commodity
Fluctuation in general price level

'EEO' stands for:
Select correct option:

Equal Equestrian Organization
Equal Employment Opportunity
Ethiopian Employment Organization
Economical Employment Opportunity

Long-Term Goals are those which are planned for more than:-
Select correct option:

5 years
1 year
1 decade
6 months

Fiza Dastgir

Which among the following have become market leaders in labor-intensive industries?
Select correct option:

East Asian countries
Balkan States
Caribbean islands
Nordic countries

Which of the following is NOT a source of corporate information?
Select correct option:

Moody's Manuals
Likert Scale
Forbes
Fortune 500

Strategic management is the art and science of formulating, implementing and evaluating cross-functional decisions which is usually done by all of the following EXCEPT:
Select correct option:

Chairman of the company
Board of directors
Chief executive officer
Marketing officer

Which of the following arise when a company can take advantage of conditions in its environment to formulate and implement strategies that enable it to become more profitable?
Select correct option:
Strengths
Opportunities
Weaknesses
Threats

Which of the following can be the weakness of an organization?
Select correct option:
Price war
Poor location of business

Fizza Dastgir

Increased trade barriers
Innovative substitute product

Which of the following best describes this statement; “a Systematic and ethical process for gathering and analyzing information about the competition’s activities and general business trends to further a business’ own goals”?
Select correct option:
External assessment
Industry analysis
Competitive intelligence program
Business ethics
Technological advancements can create which of the following advantage besides many other existing powerful advantages for the businesses?
Select correct option:
Economic
Competitive
Social
Environmental

“Prediction is very difficult, especially about the future”, are the words of whom?
Select correct option:
Martin Luther King
Ernest Rutherford
Neils Bohr
Abdus Salam

Most of the human resource management practices evolved out of which one of the following functions of Management:
Select correct option:

Staffing
Controlling
Leading
Organizing

Which of the following period strategic management was considered to be cure for all problems?
Select correct option:

Mid 1950s to mid 1960s

Fizza Dastgir

Mid 1960s to mid 1970s
Mid 1970s to mid 1980s
Mid 1980s to mid 1990s

The Strategic Management as an academic discipline is:
Select correct option:

An isolated discipline from the rest of the business functions.
A discipline which integrates or combines all the courses related to the rest of the business functions.
A discipline which is not practically used in the business world.
A philosophical doctrine.

Effective mission statements don't have one of the following features:
Select correct option:

Generate range of feasible strategic alternatives
Reconcile interests among diverse stakeholders
What does the firm want to become
Provide criteria for selecting strategies

Which of the following is best identified as a statement that presents "a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive"?
Select correct option:

Corporate philosophy statement
Company creed
Vision statement
Mission statement

The purpose of an external audit is to prepare a list of which of the following?
Select correct option:

Opportunities and weaknesses
Threats and strengths

Fizza Dastgir

Opportunities and threats
Strengths and weaknesses

Which one of the following is NOT included in the Porter's Five Forces model:
Select correct option:

Potential development of substitute products
Bargaining power of suppliers
Rivalry among stockholders
Rivalry among Competing firms

Which one of the following is NOT a Demographic Factor?
Select correct option:

Ethnicity
Gender
Technology
Age

When an industry relies heavily on government contracts, which of the following is important for the firm to foresee as a part of its external audit?
Select correct option:

Economic forces
Political forces
Technological forces
Competitive forces

If Mr. Ali works in the personnel department of a textile factory and primarily manages Labour Relations and Employee Safety matters. He is performing which function of Management?

Tizza Dastgir

Select correct option:

Controlling
Planning
Staffing
Organizing

Strategic management integrates all of the following areas EXCEPT:
Select correct option:

Management
Marketing
Research and development
Human resource management

Various job titles of a strategist may includes all of the following EXCEPT:
Select correct option:

Owner
Foreman
Chancellor
Chief executive officer

Which one of the following is an E-Commerce website?
Select correct option:

Wikipedia.org
Ebay.com
Twitter.com
Pakistan.gov.pk

Fizza Dastgir

What are historical narratives describing the unique accomplishments of a group and its leaders, usually in heroic terms?
Select correct option:

Rites
Sagas
Stories
Myths

The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Choose the economic variable from the list.
Select correct option:

Attitudes toward business
Attitudes toward product quality
Population changes by race
Stock market trends

“Institutionalizing a merit and performance culture” is a segment phrase taken from the Mission Statement of National Bank of Pakistan. It signifies which of the following element or characteristic of Mission Statement?
Select correct option:

Eiza Dastgir

Technology
Philosophy
Products or Services
Target market

Choose the economic variable from the list.
Select correct option:

Attitudes toward business
Attitudes toward product quality
Population changes by race
Stock market trends

Which management function includes breaking tasks into jobs, combining jobs to form departments and delegating authority?
Select correct option:

Motivating
Staffing
Organizing
Planning

A system of several rites connected with a single occasion or event is known as:
Select correct option:
Myth
Ceremonial
Saga
Legend

Fizza Dastgir

When the Chief Executive of a chain of pharmacies decided to sell off or close some of the locations that were not profitable, he was performing which of the management function?
Select correct option:

Leading
Planning
Controlling
Organizing

Which one of the following has explained some of the benefits of Strategic Management:-
Select correct option:

Prof. Humphrey
Prof. Greenly
Prof. Timothy
Dr. Jacobson

Where an organization takes into account the effect of its strategic decisions on the society, the firm is taking care of which of these?
Select correct option:

Corporate governance
Business policy
Business ethics
Social policy

Corporate social policy should be designed and articulated during which phase of strategic management?
Select correct option:

Aiza Dastgir

Implementation
Formulation
Evaluation
Management

Which of the following is a standardized, detailed set of techniques and behaviors that manage anxieties, but seldom produce intended, technical consequences of practical results?
Select correct option:

Rituals
Rites
Folktales
Myths

A company ‘ABC’ sells all of its assets possibly in response to continuous heavy losses. This strategy is known as:-
Select the correct option:

Market Penetration
Liquidation
Acquisition
Joint venture

Fizza Dastgir



MGT603- Strategic Management

Composed By Faheem Saqib

A Mega File for Final Term Exams and Quizzes

For more Help Rep At

Faheem_saqib2003@yahoo.com

0334-6034849

FINALTERM EXAMINATION

Spring 2010 (PAPER 1)

MGT603- Strategic Management (Session - 4)

1. Which method of determining a firm's net worth can be numerically expressed as: Market price of the firm's stock* Average net income for the past five years Annual earnings per share

► Sum of equity and earnings method

► **Price-earnings ratio method p; 139**

► Long-term asset method

►Outstanding shares method

2. Which of the following is an example of a narrow mission?

► **We sell packaged pineapples M. file**

► The firm deals in beverages

► Stationery is our product

► Company manufactures food items

3. Which of the following business actions is NOT considered to be unethical?

► Poor product or service safety

► Using non-union labor in a union shop

► Misleading advertising

► **Too expensive products** **M. File**

4. Political variables have a significant effect on which one of the following?

► **Formulation and implementation of strategy** **p; 35**

► Formulation and evaluation of a strategy

► Implementation and evaluation of a strategy

► Formulation, implementation and evaluation of a strategy

5. Which of the following is one of the Political, Governmental & Legal factors?

► Ethical concerns

► Traffic congestion

► **Lobbying activities** **M. File**

► Average level of education

6. The XYZ Company wants to know the major favorable situations that exist in its environment. Essentially, the company wants to gain understanding of what?

► Strengths
► Weaknesses
► Threats
► **Opportunities**

7. Keeping strategies secret from employees and stakeholders can do all of the following EXCEPT:

► **Provide competitive advantage to competitors**
► hinder employee and stakeholder communication
► Reduces employee and stakeholder understanding
► Minimize employee and stakeholder commitment

8. Sana has spent a day in a session where the future of her company was discussed. The people involved were trying to determine what the role of their

company was as the 21st century approaches. Goals were then developed based upon their vision of the company's mission. Sana spent her day on which of the following process?

► **Planning** **M. File**
► Organizing
► Leading
► Controlling

9. Opportunity analysis is one of the basic functions of which one of the following?

► Computer information systems
► **Marketing** **Q. File**
► Production/operations
► Research and development

10. Which of the following term describes "the merging of two or more businesses at the same level of production in some formal, legal relationship"?

► Backward integration
► **Horizontal integration**
► Market penetration
► Market development

When an organization takes up the same type of products at the same level of production or marketing process, it is said to follow a strategy of horizontal integration

11. "Ghulam Nabi, a farmer sells his crops at the local market rather than to a distribution center". This action of Ghulam Nabi comes under which of the following?

► Backward integration
► Product development
► **Forward integration**
► Horizontal integration

12. Where usage rate of present customers of the company can be increased significantly and the current markets are not saturated, which strategy would be effective for the company to follow?

► **Market Penetration** **p; 89**
► Product Development
► Market Development
► Retrenchment

13. Product development involves going in the direction of which one of the following?

► Present products to present markets

► Present products to new markets

► **New products to present markets**

► New products to new markets

New products to present markets: **product development**
Present products and new markets: **market development**
New products and new markets: **diversification**
Current products and current market: **market penetration**

14. All of the following would be considered an Opportunity to a business EXCEPT which one of the following?

► Removal of international trade barriers

► Emergence of unfulfilled customer need

► **Emergence of substitute products**

► loosening of regulations

15. A & Ammar is the sole manufacturer of leather goods in Pakistan. This year, government has lowered tax rates for this industry. There is a possibility that new companies will enter the market to avail this opportunity. Lowering the tax rates will present which of the following to A & Ammar?

► Strength

► Weakness

► Opportunity

► **Threat**

16. Which of the following are the two internal dimensions represented on the axes of the SPACE Matrix?

► Environmental stability and industry strength
► Industry strength and competitive advantage
► **Competitive advantage and financial strength** **p; 100**
► Financial strength and environmental stability

17. ABC Corporation can have competitive advantage over its competitor by taking all of the following actions EXCEPT:

► By increasing product quality
► **By having debt to equity ratio=1**
► By altering product life cycle
► By increasing customer base

18. All of the following are the limitations of BCG Matrix EXCEPT:

► It is one-dimensional to view every business as a star, cash cow, dog or question mark

► **BCG can not be developed if a firm has at least less than three years data**

► The businesses that fall in the centre of BCG matrix can not be classified

► **Other variables such as size of market and competitive advantages are not considered**

Ref: Limitations

1. Viewing every business as a star, cash cow, dog, or question mark is overly simplistic.
2. Many businesses fall right in the middle of the BCG matrix and thus are not easily classified.
3. The BCG matrix does not reflect whether or not various divisions or their industries are growing over time.
4. Other variables besides relative market share position and industry growth rate in sales are important in making strategic decisions about various divisions.

19. According to the Grand Strategy Matrix, which strategy is recommended for a firm with rapid market growth and a strong competitive position?

► **Market penetration p; 107**

► Conglomerate diversification

► Joint venture

► Retrenchment

20. "The business has a strong competitive position but is in a slow-growth industry. Further, the business typically has high cash flow levels and limited internal growth needs." The statement refers which of the following?

► The firm falling in Quadrant I of Grand Strategy Matrix
► The firm falling in Quadrant II of Grand Strategy Matrix
► The firm falling in Quadrant III of Grand Strategy Matrix
► **The firm falling in Quadrant IV of Grand Strategy Matrix** **p; 108**

21. Which of the following is a Functional level objective?

► Achieving return on investment of at least 15%
► **Aiming to achieve a market share of 10%** **p; 113**
► Attaining operating profit of over Rs.10 million
► Increase earnings per share by at least 10% every

22. Which one of the followings is NOT a major factor that commonly forbids effective resource allocation?

► Organizational politics
► Vague strategy targets
► **Long run financial criteria** **p; 116**
► Lack of sufficient knowledge

23. "Holding a meeting at which conflicting parties present their views and work through the differences". The statement best describes which of the conflict resolving mood?

► **Confrontation**

► Resistance

► Diffusion

► Avoidance

http://docs.google.com/viewer?a=v&q=cache:AGuKPcGjPPIJ:www.stepheniba raki.com/cips/sp/CIPS%2520Implementing%2520Strategies.doc+Confrontation +Holding+a+meeting+at+which+conflicting+parties+present+their+views+and+ work+through+the+differences&hl=en&gl=pk&pid=bl&srcid=ADGEESjKycuab vs9C8y4TcRwcDidCMRmcX-K_wJdzXinMWNWz2i8mzbz5DqW_jOKuJinyCcpMeLmgo0RK6XLMkYwODAo Mg4LB9PzqzFpOQWt8dI7JjbqYGosz4XVgJtpJlQfTipoX-Sw&sig=AHIEtbTcv6Hr2IgLiRvo0lqQUtSinz9NSw

24. Restructuring is also known as:

► Up-sizing

► **Delayering** **p; 120**

► Diversifying

► Integrating

Restructuring—also called downsizing, rightsizing, or delayering

25. Which term is most often concerned primarily with shareholder well-being rather than employee well-being?

► Benchmarking
► Reengineering
► E-engineering
► **Restructuring** p; 120

26. "All the employees of Operations department have received 15 % of increased profits over a historical standard or targeted profits." Which of the following best describes the statement?

► Profit sharing
► Bonus
► **Gain sharing**
► Piece-work plan

27. What is the most widely used technique for determining the best combination of debt and stock?

► **Earnings per share**

► Return on stockholders' equity

► Debt-to-equity ratio

► Capital budgeting

It also include an **Earnings per Share**/Earnings before Interest and Taxes (EPS/EBIT) analysis is the most widely used technique for determining whether **debt, stock, or a combination of debt and stock is the best alternative** for raising capital to implement strategies.

28. Which one of the following statement is TRUE about EBIT (Earnings before Interest and Taxes)?

► It is calculated as revenue minus depreciation and interest expenses

► **It is calculated as revenue minus expenses excluding tax and interest**

► It is calculated as revenue minus cost of goods sold and sales taxes

► It is calculated as revenues minus selling and administrative expenses

DEBIT
A financial measure defined as revenues less cost of goods sold and selling, general, and administrative expenses. In other words, operating and no operating profit before the deduction of interest and income taxes.

29. Which alternative becomes more attractive financing technique when cost of capital is high?

► Debt financing

► Combination financing

► **Raising equity**

► Borrowing

30. Integrative, intensive, and diversification strategies are often implemented by which one of the followings?

► Liquidating firms

► **Acquiring firms** **p; 139**

► Venturing firms

► Small firms

31. All of the following tasks are performed by R&D employees and managers EXCEPT:

► Transferring complex technology

► Adapting processes to local markets

► Adjusting process to local raw materials

► **Make sure the availability of resource**

R&D employees and managers perform tasks that include

1. Transferring complex technology,
2. Adjusting processes to local raw materials,
3. Adapting processes to local markets,
4. Altering products to particular tastes and specifications.

32. Which one of the following is not a rivalry determinant of Porter's model?

► **Differentiation of inputs**

► Industry growth

► Diversity of competitors

► Switching costs

Rivalry Determinants

- **Industry growth**
- Fixed (or storage) costs/value added
- Intermittent over capacity
- Product differences
- Brand identity
- **Switching costs**
- Concentration and balance
- Informational over complexity
- **Diversity of competitors**
- Corporate stakes
- Exit barriers

33. Which one of the following is NOT considered as a difficulty in evaluation of strategies?

► Increase in environment's complexity

► Difficulty predicting future with accuracy

► **Decreasing number of variables**

► Rate of obsolescence of plans

Difficulty in strategy evaluation –

1. Increase in environment's complexity
2. Difficulty predicting future with accuracy
3. Increasing number of variables
4. Rate of obsolescence of plans
5. Domestic and global events
6. Decreasing time span for planning certainty

34. Strategy evaluation is based on which of the following?

► Quantitative and empirical criteria

► Empirical and qualitative criteria

► Qualitative and objective criteria

► Qualitative and quantitative criteria

Strategy evaluation is based on both **quantitative and qualitative criteria**

35. What is typical problem associated with using quantitative criteria for evaluating strategies?

► Most qualitative criteria are geared to long-term objectives rather than annual objectives

► Different accounting methods can provide different results on many quantitative criteria

► Intuitive judgments are never involved in deriving quantitative criteria

► Qualitative data to be evaluated for measuring performance is often not available

There are some potential problems associated with using quantitative criteria for evaluating strategies.

1. First, most quantitative criteria are geared to annual objectives rather than long-term objectives.

2. Different accounting methods can provide different results on many quantitative criteria.
3. Intuitive judgments are almost always involved in deriving quantitative criteria.

36. A good evaluation system must posses various qualities. Which of the following is not a characteristic of a good strategy evaluation system?

► Strategy-evaluation activities must be economical

► Strategy-evaluation activities should be meaningful

► **Strategy-evaluation activities should dominate the decisions**

► Strategy-evaluation activities should provide timely information

Qualities of good evaluation system

Strategy-evaluation activities must be economical; too much information can be just as bad as too little information; and too many controls can do more harm than good.

Strategy-evaluation activities also should be meaningful; they should specifically relate to a firm's objectives. They should provide managers with useful information about tasks over which they have control and influence.

Strategy-evaluation activities should provide timely information; on occasion and in some areas, managers may need information daily.

37. The product design, packaging, product disposal and corporate rewards should reflect which of the following?

► Product quality consideration

► Union consideration

► **Environmental consideration** **p; 156**

► Customer consideration

38. Financial benefits of strategic management include all of the following EXCEPT:

► Progression in profitability

► **Improvement in employee productivity**

► Expansion in the sales of business

► Enhancement in productivity

39. Which one of the following is a reason for NOT choosing profits in BCG matrix than relative market share?

► **It carries less information than just cash flow**

► It shows where the brand is positioned against competitors

► It indicates where it might be likely to go in the future

► It shows what type of marketing activities to be performed

The reason for choosing relative market share, rather than just profits, is that

1. It **carries more information** than just cash flow.
2. It shows where the brand is positioned against its main competitors
3. Indicates where it might be likely to go in the future.
4. It can also show what type of marketing activities might be expected to be effective.

40. "A desired future state that the organization attempts to realize". Identify the term relevant to the given statement.

► **Goal** **M. File**

► Strategy

► Policy

► Procedure

41. Which of the following statements best defines "stage 1" of the strategy-formulation framework?

► **It summarizes the basic input information needed to formulate strategies** p; 97

► It focuses on generating feasible alternative strategies

► It involves a single technique

► It is based on assumptions

42. What type of strategies would you recommend when a firm's SPACE Matrix directional vector has the coordinates (+1, +5)?

► **Aggressive** p; 100

► Conservative

► Competitive

► Defensive

43. "Establishing annual objectives" refers to which of the following activities?

► It is a top-level activity

► It is a centralized activity

► **It is a decentralized activity** p; 114

► It is a centralized-decentralized activity

44. Which pay strategy is Not a form of incentive compensation?

► Bonus system

► **Hourly wage** p; 123

► Gain sharing

► Profit sharing

45. Which of the following is NOT a rule of thumb when using product positioning as a strategy-implementation tool?

► "Don't squat between segments"

► "Look for the hole or vacant niche"

► **"Try to serve more than one segment with the same strategy"**

► "Don't position yourself in the middle of the map"

2. Don't squat between segments
3. **Don't serve two segments with same strategy**
4. Don't position yourself in the middle of the map

46. Identify which of the following are mostly based on a firm's internal assessment according to Richard Rumelt.

► Consistency and consonance

► Consonance and advantage

► Advantage and feasibility

► **Feasibility and consistency**

According to Rumelt, consistency and feasibility are largely based on a firm's internal assessment.

47. Which of the following statements is TRUE if success for one organizational department means failure for another department?

► Strategies may be synergistic

► Strategies may be advantageous

► Strategies may be inconsonant

► **Strategies may be inconsistent**

48. All of the following are the qualitative questions for evaluating strategies identified by Seymour Tilles EXCEPT:

► Is the strategy internally consistent?

► **Is the strategy having an appropriate return on investment?**

► Is the strategy consistent with the environment?

► Is the strategy appropriate in view of available resources?

Seymour Tilles identified six qualitative questions that are useful in evaluating strategies:

1. Is the strategy **internally consistent?**
2. Is the strategy **consistent with the environment?**
3. Is the strategy **appropriate in view of available resources?**
4. Does the strategy involve an acceptable degree of risk?
5. Does the strategy have an appropriate time framework?
6. Is the strategy workable?

FINALTERM EXAMINATION

Spring 2010 (PAPER 2)

MGT603- Strategic Management

49. Which of the following is often considered the first step in strategic planning?

► Devising a mission statement

► **Developing a vision statement** **M. File**

► Setting annual objectives

► Formulating set of strategies

50. External opportunities and threats that can significantly benefit or harm an organization may include all of the following except:

► Demographics

► Competitive trends

► Technological changes

► **Research and development** **M. File**

Ref: *External opportunities* and *external threats* refer to economic, social, cultural, demographic, environmental, political, legal, governmental, technological, and competitive trends and events that could significantly benefit or harm an organization in the future.

51. What will happen to the Pakistani exports in overseas markets when there is a strong value of rupee?

► Pakistani exports will be less expensive

► **Pakistani exports will be more expensive** **M. file**

► Pakistani exports will be more attractive

► Pakistani exports will be desirable

52. Which of the following can be considered as barriers to entering a market or industry?

► The lack of economies of scale and experience and low levels of brand loyalty

► **The presence of large number of rivals already in the industry** **M. File**

► Relatively large capital requirements and industry have economies of scale

► The absence of tariffs, trade restrictions, and/or government-mandated regulations

53. Which of the following are signs of strength in a company's competitive position?

► A debt-to-asset ratio below 0.50 and a positive net cash flow
► A website with extensive information about the company and its product line
► R&D and advertising expenditures greater than $10 million annually
► **A strongly differentiated product and a strong or rising market share**

54. Distribution includes which of the following?

► Customer analysis
► **Warehousing** **p; 62**
► Advertising
► Test marketing

55. The IFE matrix summarizes and evaluates which factors in the functional areas of a business?

► Opportunities and threats
► **Strengths and weaknesses** **M. File**
► Strengths and threats
► Opportunities and weaknesses

Ref: A summary step in conducting an internal strategic-management audit is to construct an *Internal Factor Evaluation (IFE) Matrix*. This strategy-formulation tool summarizes and evaluates the major strengths and weaknesses in the functional

areas of a business, and it also provides a basis for identifying and evaluating relationships among those areas.

56. The Web sites that sell products directly to the consumers are the examples of which type of strategy?

► Backward integration

► Product development

► **Forward integration** **M. File**

► Horizontal integration

57. Which of the following is a drawback or limitation of Horizontal Integration?

► **Synergies may be more imaginary than real** **M. File**

► It can increase suppliers' and buyers' bargaining power

► Economies of scale are likely to be decreased

► Both the first & third options are correct

58. A Cost Leadership Strategy is especially effective in all of the following situations EXCEPT:

► When the market is composed of many price-sensitive buyers

► **When product differentiation can be easily achieved**

► When buyers do not care much about differences from brand to brand

► When there are a large number of buyers with significant bargaining power

Striving to be the low-cost producer in an industry can be especially effective

1. **When the market is composed of many price-sensitive buyers,**
2. When there are few ways to achieve product differentiation,
3. **When buyers do not care much about differences from brand to brand,**
4. **When there are a large number of buyers with significant bargaining power.**

59. If market shares of competitors are declining whereas total industry sales are increasing, which strategy do you think may be the right one to pursue?

► Divestiture

► **Market Penetration** **M. File**

► Market Development

► Retrenchment

Ref: Guidelines for Market Penetration

Four guidelines when market penetration may be an especially effective strategy are:

Current markets not saturated

Usage rate of present customers can be increased significantly

Market shares of competitors declining while total industry sales increasing

Increased economies of scale provide major competitive advantages

60. Which of the followings involves the substantial modification of existing products or the creation of new but related products that can be marketed to current customers through established channels?

► Innovation

► Differentiation

► **Product development** **M. File**

► Market development

Ref: Product development is a strategy that seeks increased sales by improving or modifying present products or services.

61. Which of the following stages of "Strategy Formulation Framework" involves development of Internal-Factor Evaluation Matrix?

► **Input stage**

► Output stage

► Matching stage

► Decision stage

Ref: Stage 1 of the formulation framework consists of the EFE Matrix, the IFE Matrix, and the Competitive Profile Matrix. Called the *Input Stage*, Stage 1 summarizes the basic input information needed to formulate strategies.

62. Which of the following stages in "Strategy Formulation Framework" focuses on generating feasible alternative strategies?

► Input

► Output

► Decision

► **Matching**

Ref: Stage 2, called the *Matching Stage,* focuses upon generating feasible alternative strategies by aligning key external and internal factors. Stage 2 techniques include the Threats-Opportunities Weaknesses-Strengths (TOWS) Matrix, the Strategic Position and Action Evaluation (SPACE) Matrix, the Boston Consulting Group (BCG) Matrix, the Internal-External (IE) Matrix, and the Grand Strategy Matrix

63. If there is a shift in consumers' taste in a society away from the firm's products along with weak brand name, which of the following strategy would you recommend for the above mentioned firm?

► SO
► **WO**
► SW
► WT

64. Firm located in defensive quadrant of a SPACE matrix is recommended to follow all of the following strategies EXCEPT:

► Retrenchment
► **Forward integration** **p; 108**
► Divestiture
► Liquidation

65. What type of strategies would you recommend when a firm's SPACE Matrix directional vector has the coordinates (+2, +3)?

► **Aggressive**

► Conservative

► Competitive

► Defensive

66. A & C Corporation currently possesses a low share of its available market. Moreover, this company's portfolio reveals that it has extremely low market growth. A & C Corporation is most likely to be classed as which one of the following?

► **Dog** 103

► Question mark

► Star

► Cash cow

Ref: Dogs More charitably called pets, units with low market share in a mature, slow-growing industry. (see the table at page no.103)

67. Which of the following is a deliberate plan of action, guidelines, methods, procedures to guide decisions and achieve rational outcome?

► Annual objectives

► Strategies

► **Policies**

► Goals

Policies include **guidelines**, rules, and **procedures** established to support efforts **to achieve stated objectives**

68. The organizations, where resource allocation is not based on strategic-management approach to decision making, which approach is used for resource allocation?

► Financial budget

► Relative importance of departments

► **On political or personal factors**

► Relative cost of each resources

Ref: Resource allocation is a major management activity that allows for strategy execution. In organizations that do not use a strategic-management approach to decision making, **resource allocation is often based on political or personal factors.**

69. A state of opposition between persons or ideas which are occasionally characterized by physical violence may be known as:

► **Conflict**

► Compromise

► Diffusion

► Avoidance

Ref: Conflict is a state of opposition, disagreement or incompatibility between two or more people or groups of people, which is sometimes characterized by physical violence. Military conflict between states may constitute war.

70. Why do changes in company strategy often require changes in the way an organization is structured?

► **Because structure depicts how goals will be established**

► Because structure dictates how authorities will be delegated

► Because structure dictates how resources will be obtained

► Because structure dictates how financial resources are spent

Ref: Changes in strategy often require changes in structure because new positions may be created, deleted, or merged. Organizational structure dictates how resources are allocated and **how objectives are established** in a firm.(Page no.56)

71. Of the following, which one is FALSE regarding a functional organizational structure?

► The tasks, people, and technologies necessary to do the work of the business are grouped together

► Functional structures predominate in firms with single or narrow product lines

► Marketing, operations, and finance would be considered groups found within **this** type of structure

► Functional structure is designed to achieve flexibility and better communication

Ref: Functional structure is sometimes characterized by low employee morale, line/staff conflicts, poor delegation of authority, and inadequate planning for products and markets. (Page no.118)

Functional Structure
The organization is structured according to functional areas instead of product lines. This structure is best used when creating specific, uniform products. They are economically efficient, but **lack flexibility**. **Communication between functional areas can be difficult.**

72. Which of these is not one of the tests used to determine whether a performance-pay plan will benefit an organization?

► Do employees understand the plan?

► Is the plan improving communications?

► Does the plan pay out when it should?

► Does the plan reduce management layers?

http://www.vuzs.net/index.php?option=com_content&view=article&id=4243:mgt603-solved-mcqs-from-book-by-david-chap-7c&catid=276:mgt603-strategic-management&Itemid=55

73. All of the following are the managerial issues for managing natural environment EXCEPT:

► Global warming- depletion of rain forests

► **Employee understanding about environment**

► Developing biodegradable products and packages

► Waste management to clean air and water

Special natural environmental issues include ozone depletion, **global warming, depletion of rain forests,** destruction of animal habitats, protecting endangered species, **developing biodegradable products and packages**, **waste management, clean air, clean water,** erosion, destruction of natural resources, and pollution control.

74. The methods which are used to match managers with strategies to be implemented include all of the following EXCEPT:

► **Transferring managers**

► Job enlargement

► Managers' retention

► Job enrichment

75. Which one of the following is an example of product decisions?

► **Brand name**

► Volume discounts

► Distribution channels

► Order processing

Ref: Product Decisions

The term "product" refers to tangible, physical products as well as services. Here are some examples of the product decisions to be made:

• Brand name
• Functionality
• Styling
• Quality
• Safety
• Packaging

76. Which variable would be considered as a part of pricing decisions?

► Warranty
► **Bundling**
► Safety
► Functionality

Price Decisions

Some examples of pricing decisions to be made include:

• Pricing strategy (skim, penetration, etc.)
• Suggested retail price
• Volume discounts and wholesale pricing
• Cash and early payment discounts
• Seasonal pricing
• Bundling
• Price flexibility

• Price discrimination

77. Which one of the following is an example of place decisions?

► Safety and packaging
► Personal selling
► Public relations & publicity
► **Order processing**

Distribution (Place) Decisions

Distribution is about getting the products to the customer. Some examples of distribution decisions include:

• Distribution channels
• Market coverage (inclusive, selective, or exclusive distribution)
• Specific channel members
• Inventory management
• Warehousing
• Distribution centers
• **Order processing**
• Transportation
• Reverse logistics

78. All of the following are the examples of promotion decision EXCEPT:

► Personal selling

► **Volume discounts**

► Public relations

► Advertising

Promotion Decisions

In the context of the marketing mix, promotion represents the various aspects of marketing communication, that is, the communication of information about the product with the goal of generating a positive customer response. **Marketing communication decisions include:**

• Promotional strategy (push, pull, etc.)

• **Advertising**

• **Personal selling** & sales force

• Sales promotions

• **Public relations** & publicity

• Marketing communications budget

79. Which of the following is NOT a decision that may require finance/accounting policies?

► To extend the time of accounts receivable

► To determine an appropriate dividend payout ratio

► To use LIFO, FIFO or a market-value accounting approach

► **To determine the amount of product diversification**

Some examples of decisions that may require finance/accounting policies are:

1. To raise the amount of capital by issuing shares or obtaining a debt from external parties.
2. To enhance the inventory turn over level
3. To make or buy fixed assets.

4. To extend the time of accounts receivable.

5. To establish a certain percentage discount on accounts within a specified period of time.

6. To determine the amount of cash that should be kept on hand

7. To determine an appropriate dividend payout ratio.

8. To use LIFO, FIFO

80. At least how many R & D approaches are used for the implementation of strategy?

► Two

► **Three**

► Four

► Five

Ref: There are at least three major R&D approaches for implementing strategies.

1. First firm to market new technological products
2. Be an innovative imitator of successful products
3. Low-cost producer of similar but less expensive products

81. While evaluating a strategy, corrective actions are almost always needed except:

► **When external and internal factors have not significantly changed**

► When the firm is not progressing satisfactorily toward objectives

► When the firm has not achieved the stated organizational goals

► When there are differences between desired results and achieved results

Notice that corrective actions are almost always needed **except** when (1) **external and internal factors have not significantly changed** and (2) The firm is progressing satisfactorily toward achieving stated objectives.

82. Which one of the following statements best describes the activity 'marketing and sales' of Porter's supply chain model?

► Machining, packaging, assembly, equipment maintenance & testing

► **Activities linked with getting buyers to purchase the product**

► Activities that maintain and enhance the product's value

► receiving, storing, inventory control & transportation planning

The activities of the Value Chain

• **Primary activities (line functions)**

Inbound Logistics Includes receiving, storing, inventory control, transportation planning.

Operations Includes machining, packaging, assembly, equipment maintenance, testing and all other value-creating activities that transform the inputs into the final product

Outbound Logistics The activities required to get the finished product at the customers: warehousing, order fulfillment, transportation, distribution management.

Marketing and Sales **The activities associated with getting buyers to purchase the product**, including: channel selection, advertising, promotion, selling, pricing, retail management, etc.

Service The activities that maintain and enhance the product's value, including: customer support, repair services, installation, training, spare parts management, upgrading, etc.

83. Outbound logistics includes which one of the following?

► Receiving, storing, inventory control, transportation planning

► Machining, packaging, assembly, equipment maintenance, testing

► **Activities required to get the finished product at the customers**

► Activities that maintain and enhance the product's value

Ref: Outbound Logistics. The activities required to get the finished product at the customers: warehousing, order fulfillment, transportation, distribution management.

84. Which of the following is NOT a key financial ratio?

► Earnings per share

► **Production growth**

► Asset growth

► Profit margin

Some key financial ratios that are particularly useful as criteria for strategy evaluation are as follows:

1. Return on investment
2. Return on equity
3. Profit margin
4. Market share
5. Debt to equity
6. Earnings per share
7. Sales growth
8. Asset growth

85. Which of the following statement is TRUE about 'Controls' which are used in strategy evaluation stage?

► They are strategy-oriented

► **They are action-oriented**

► They are control-oriented

► They are information-oriented

Ref: Controls need to be action-oriented rather than information-oriented.(Page no.154)

86. In BCG matrix, the size of circle corresponding to a division represents what?

► Relative market share of that division

► Financial strength of that division

► **Revenue generated by that division**

► Relative market growth of that division

Ref: Practical Use of the Boston Matrix

For each product or service the 'area' of the circle represents the value of its sales. (Page No.104)

87. If the capital and human resources of a firm are necessary to manage expanded operations and it also has excess production capacity, which would be an effective strategy for the firm to pursue?

► Market Penetration

► **Market Development**

► Divestiture

► Retrenchment

Guidelines for Market Development

1-Six guidelines when market development may be an especially effective strategy are:

2-New channels of distribution that are reliable, inexpensive, and good quality

3-Firm is very successful at what it does

4-Untapped or unsaturated markets

5-Capital and human resources necessary to manage expanded operations

6-**Excess production capacity**

7-Basic industry rapidly becoming global

88. If the firm is very successful at what it does, unsaturated markets are available and the new inexpensive channels of distribution are also available, then which of the following strategies a company should follow?

► Market Penetration

► **Market Development**

► Product Development

► Retrenchment

Six guidelines when market development may be an especially effective strategy are:

 New channels of distribution that are reliable, **inexpensive,** and good quality
 Firm is very successful at what it does
 Untapped or **unsaturated markets**
 Capital and human resources necessary to manage expanded operations
 Excess production capacity
 Basic industry rapidly becoming global

89. Which strategies are defensive tactics directed at reducing internal weaknesses and avoiding environmental threats?

► SO

► WO

► SW

► **WT**

Ref: WT Strategies

Every firm has a desire to **overcome its weakness and reducing threats**. This type of strategy helpful when weaknesses are removed to overcome external threats

90. Which of these is TRUE about strategy implementation?

► It refers to positioning forces before the action

► It focuses on effectiveness

► **It is primarily an operational process**

► It is primarily an intellectual process

Strategy formulation is positioning forces before the action.

Strategy implementation is managing forces during the action.

Strategy formulation focuses on effectiveness.

Strategy implementation focuses on efficiency.

Strategy formulation is primarily an intellectual process.

Strategy implementation is primarily an operational process.

Strategy formulation requires good intuitive and analytical skills.

Strategy implementation requires special motivation and leadership skills.

Strategy formulation requires coordination among a few individuals.

Strategy implementation requires coordination among many persons.

91. Which of the following is TRUE about Strategy formulation?

► It manages forces during the action

► **It requires good intuitive and analytical skills**

► It is primarily an operational process

► It requires special motivation and leadership skills

92. Identify a situation in which a divisional structure by geographic area is considered to be most appropriate.

► **Organizations have similar branch facilities located in widely dispersed areas**

► An organization offers only a limited number of products or services

► Strict control and attention to product lines are needed

► An organization has many skilled managers

A divisional structure by geographic area is appropriate for organizations whose strategies need to be tailored to fit the particular needs and characteristics of customers in different geographic areas. This type of structure can be most appropriate for **organizations that have similar branch facilities located in widely dispersed areas.**

93. All of the following are included in Rumelt's criteria for evaluating strategies EXCEPT:

► Consonance
► Advantage
► Consistency
► **Clarity**

Four Criteria (Richard Rummelt):
• Consistency
• Consonance
• Feasibility
• Advantage

94. Identify which of the following are mostly based on a firm's external assessment according to Richard Rumelt.

► Consonance and consistency
► Advantage and feasibility
► **Consonance and advantage**
► Consistency and feasibility

Consonance and advantage are mostly based on a firm's external assessment, whereas consistency and feasibility are largely based on an internal assessment

95. Identify a factor which determines the final design of a firm's strategy-evaluation and control system.

► Opportunities

► External characteristics

► **Organization's characteristics**

► Competition's characteristics

Ref: The unique characteristics of an organization, including its size, management style, purpose, problems, and strengths, can determine a strategy-evaluation and control system's final design. (Page No.154)

96. Which of the following is defined as having alternative plans that can be put into effect if certain key events do not occur as expected?

► Corporate agility

► Scenario planning

► Forecasting

► **Contingency planning** **p; 155**

FINALTERM EXAMINATION

Spring 2010 (PAPER 3)

MGT603- Strategic Management

97. Strategist is an individual who is involved in the strategic management process, thus may be known as:

► Member board of director

► President

► Division manager s

► All of the given options

Ref: Strategists have various job titles, such as chief executive officer, president, and owner, chair of the board, executive director, chancellor, dean, or entrepreneur.

98. The objectives set by a manager should have which of the following characteristics?

► Should spell out how fast the company's strategy is to be implemented

► Should be challenging and congruent among organizational units

► Should include long-range performance targets but not short-range targets

► Should include financial performance targets but not strategic performance targets

. Ref: Objectives should be quantitative, measurable, realistic, understandable, challenging, hierarchical, obtainable, and congruent among organizational units.

99. Which of the following is TRUE about anti-trust legislation?

► The is the law intended to protect the ozone layer in the environment

► This is the law intended to regulate the tax rates in the economy

► **This is the law intended to promote free competition in the market**

► This is the law intended to regulate and register the patents

Ref: anti trust legislation where there is an effort to ban the monopolies. Some organizations think that monopolies should be banned.

100. Financial ratios are helpful in analyzing the relationship between/among which of the following?

► All assets and liabilities

► Profits and costs

► **All functional areas of business**

► Sales and profitability

Ref: *Financial ratio analysis* exemplifies the complexity of relationships among the functional areas of business. A declining return on investment or profit margin ratio could be the result of ineffective marketing, poor management policies,

101. Which function of management includes areas such as job design, job specification, job analysis and unity of command?

► Planning

► Motivating

► **Organizing**

► Leading

Ref: Organizing includes all those managerial activities that result in a structure of task and authority relationships. Specific areas include organizational design, job specialization, job descriptions, job specifications, span of the control, unity of command, coordination, job design, and job analysis.

102. "Max Rent-a-Car" is opening car rental shops in Wal-Mart stores, is an example of which type of strategy?

► Forward integration

► Backward integration

► **Related diversification**

► Unrelated diversification

Ref: Forward integration strategy refers to the transactions between the customers and firm forward integration strategy primarily to gain better control over prices charged to consumers.

103. _____ refers to a strategy of seeking ownership or increased control over a firm's competitors.

► Conglomerate diversification

► Backward integration

► **Horizontal integration**

► Concentric diversification

Ref: *Horizontal integration* refers to a strategy of seeking ownership of or increased control over a firm's competitors.

104. The company acquires or develops new products that could appeal to its current customer groups even though those new products may be technologically unrelated to the existing product lines. Which of the following best describes the statement?

► Retrenchment

► Horizontal diversification

► Market development

► Horizontal integration

Ref: Horizontal Diversification: Adding new, unrelated products or services for present customers.

105. SPACE matrix has four quadrants. All of the following are SPACE Matrix quadrants EXCEPT:

► Aggressive

► Defensive

► Competitive

► Offensive

Ref: contains four-quadrant named aggressive, conservative, defensive, or competitive strategies.

106. SPACE Matrix contains two types of dimensions. Which of the following are the two external dimensions to be considered in SPACE Matrix?

► Environmental stability and industry strength

► Environmental stability and competitive advantage

► Industry strength and competitive advantage

► Industry strength and Financial strength

Ref: SPACE Matrix represent two internal dimensions financial strength [FS] and competitive advantage [CA]) and two external dimensions (environmental stability [ES] and industry strength [IS]).

107. What type of strategies would you recommend when a firm's SPACE Matrix directional vector has the coordinates (-4, -4)?

► Aggressive

► Conservative

► Competitive

► Defensive

108. BCG matrix is used in matching stage of strategy formulation framework. It plots the business units along which of the following dimensions?

► Market share and industry strength

► Market share and market growth rate

► Market growth rate and competitive position

► Market growth rate and environment stability

Ref: To use the chart, corporate analysts would plot a scatter graph of their business units, ranking their relative market shares and the growth rates of their respective industries

109. Business units that have low market share and are operating in slow-growing industry should choose all of the following <u>EXCEPT:</u>

► New investments

► Production efficiency

► Distribution efficiency

► Product innovation

Ref: They depress a profitable company's return on assets ratio, used by many investors to judge how well a company is being managed. Dogs, it is thought, should be sold off.

110. When a division of an organization has a high relative market share and is in a fast-growing industry, it will be categorized as which type in BCG matrix?

► Star

► Cash cow

► Question mark

► Dog

Ref: Stars Units with a high market share in a fast-growing industry. The hope is that stars become the next cash cows.

111. Which of the following is the first step in developing QSPM?

► Developing a list of the firm's key external and internal factors

► Determining the Attractiveness Scores for each strategy

► Examine the Stage 2 matrices and identify alternative strategies

► Assigning weights to each key external and internal factor

Step in developing QSPM

1. Developing a list of the firm's key external and internal factors
2. Assigning weights to each key external and internal factor
3. Examine the Stage 2 matrices and identify alternative strategies
4. Determining the Attractiveness Scores for each strategy
5. Compute the Total Attractiveness Scores
6. Compute the Sum Total Attractiveness Score

112. Advantages of a functional organization structure would include all EXCEPT which one of the following?

► Promotes division and specialization of labor

► Promotes functional rivalry

► Promotes economic efficiency

► Promotes delegation of authority

Ref:Besides being simple and inexpensive, a functional structure **also promotes specialization of labor**, **encourages efficiency**, minimizes the need for an elaborate control system, and allows rapid decision making. Some disadvantages of a functional structure are that it forces accountability to the top, minimizes career development opportunities, and is sometimes characterized by low employee morale, line/staff conflicts, **poor delegation of authority**, and inadequate planning for products and markets.

113. Which one of the following is the organizational structure that most of the medium-size organizations follow?

► Divisional structure

► Strategic business unit

► Functional structure

► Matrix structure

Ref: Small firms tend to be functionally structured (centralized).

Medium-size firms tend to be divisionally structured (decentralized).

Large firms tend to use an SBU (strategic business unit) or matrix structure

114. A divisional structure by geographic area is most appropriate in which of the following situation?

► **Organizations have similar branch facilities in dispersed areas**

► Organization offers a limited number of products or services

► Organization needs strict control over product lines

► Organization has to serve a large geographic area

Ref: This type of structure can be most appropriate for organizations that have similar branch facilities located in widely dispersed areas

115. Which of the following is best identified as being an adaptation of the divisional structure?

► Vertical Integration

► **Strategic business units**

► Joint venture

► None of the given options

116. "Performance comparison of organization business processes against an internal or external standard of recognized leaders." Identify the term relevant to the specified statement.

► Restructuring

► Process redesign

► Reengineering

► **Benchmarking**

http://www.adamssixsigma.com/Glossary_of_terms/six_sigma_glossary_B.htm

117. After completing an EPS/EBIT analysis, what conclusions would you make?

► Debt appears to be the best financing alternative

► Stock would be the best financing alternative

► **Combination of debt and stock is the best financial alternative**

► Dividends must be considered before concluding

118. What is a central strategy-implementation technique that allows an organization to examine the expected results of various actions and approaches?

► Financial budgeting

► TOWS analysis

► **Projected financial statement**

► External analysis

REF: Pro forma (projected) financial statement analysis is a central strategy-implementation technique because it allows an organization to examine the expected results of various actions and approaches.

119. Retained earnings are obtained by subtracting which of the two items?

► **Dividends from Net Income**

► EBIT from Net Income

► Taxes from EBIT

► Interest Expense from EBIT

Ref: Formula of Retained Earning= Net Income – Dividends

120. XYZ Company has controlled its distributors so that no other firm can access the scarce natural resources available in the country, which are used in XYZ's production. This action is taken in order to reduce which of the following:

► The bargaining power of customers

► The bargaining power of suppliers

► **The threat of new entrants**

► The threat of substitute products

Ref: The threat of new entrants

o the existence of barriers to entry

o economies of product differences

o brand equity

o switching costs

o capital requirements

o access to distribution

o absolute cost advantages

o learning curve advantages

o expected retaliation

o government policies

121. Outbound logistics includes which one of the following?

► Receiving, storing, inventory control, transportation planning.

► Machining, packaging, assembly, equipment maintenance, testing

► Activities required to get the finished product at the customers

► Activities that maintain and enhance the product's value

Ref: Outbound Logistics. The activities required to get the finished product at the customers: Warehousing, order fulfillment, transportation, distribution management.

122. Which of the following statement is correct about operations?

► It includes receiving, storing, inventory control & transportation planning

► It includes machining, packaging, assembling, maintaining equipment testing

► It includes the activities required to get the finished product at the customers

► It includes the activities that maintain and enhance the product's value

Ref: Operations. Include machining, packaging, assembly, equipment maintenance, testing and all other value-creating activities that transform the inputs into the final product.

123. All of the following are support activities of Porter's supply chain model EXCEPT:

► Firm Infrastructure

► Marketing and Sales primary activity

► Technology Development

► Procurement

Support activities (Staff functions, overhead)

1. Procurement
2. Technology Development
3. Human Resource Management
4. Firm Infrastructure

124. Adapting to change confronts an organization's strategic management to which of the following issue(s):

►What kind of business we should be in?

► Are we in the right field?

►should we reshape our business?

► All of the given options

Ref: change. The need to adapt to change leads organizations to key strategic management questions, such as "What kind of business should we become?" "Are we in right field?" "Should we reshape our business?" "Are new technologies being developed that could put us out of business?"(Page no.06)

125. Which of the following is <u>TRUE</u> about Vision statement of a company?

► It defines the customers

► It concentrates on future

► It identifies critical processes

► It informs about the desired level of performance

Ref: Many organizations today develop a "vision statement" which answers the question, what do we want to become?

126. Mission of a business is the foundation of all of the following <u>EXCEPT:</u>

► Priorities

► Strategies

► Plans

► Wages

Rationale: wages are short term plans or objectives where as mission statement addresses long term goals and plans.

127. Which of the following is <u>FALSE</u> about vision and mission statements?

► Vision statement gives the overall purpose of an organization while a mission statement describes a picture of the preferred future

► A vision statement describes how the future will look if the organization achieves its mission and a mission statement explains what the organization does

► Mission statement answers the questions what is our business and the vision statement answers the question what do we want to become

► Mission statement explains the current position and activities of a firm whereas vision statement explains the future objective.

Ref: Mission describes the overall purpose and vision describes the picture of preferred future.

128. The in-house R&D is a preferred solution in which of the following situations?

► Technological progress is slow and market growth is moderate

► Technology is changing rapidly and market is growing slowly

► Technology is changing slowly and market is growing quickly

► Both technological progress and market growth rate are fast.

Ref: If the rate of technical progress is slow, the rate of market growth is moderate, and there is a significant barrier to possible new entrants, then in-house R&D is the preferred solution.

129. Identify a strategy which uses firm's internal strengths to take advantage of external opportunities.

► **SO**

► WO

► SW

► WT

Ref: SO Strategies: Every firm desires to obtain benefit form its resources such benefit can only be obtained if utilize its strength to take external opportunity

130. Which of the following includes the set of shared values, beliefs, attitudes, customs, norms, personalities, heroes and heroines that describe a firm?

► Strategy

► **Culture**

► Mission

► Objectives

Ref: Organizational culture Defined in Table below *cultural products* include values, beliefs, rites, rituals, ceremonies, myths, stories, legends, sagas, language, metaphors, symbols, heroes, and heroines.

131. The culture of a firm is important when considering strategies because:

► Cultural products can support strategies so managers can often implement changes swiftly and easily

► Everyone in the firm should have a vote as to which strategies to implement

► Culture can dictate the choice of strategies

► Employees always welcome cultural change

Ref: Organizational culture significantly affects business decisions and, thus, must be evaluated during an internal strategic-management audit. If strategies can capitalize on cultural strengths, such as a strong work ethic or highly ethical beliefs, then management often can implement changes swiftly and easily.

132. Which of the following is NOT a major factor that commonly prohibits effective resource allocation?

► Overprotection of resources

► Organizational politics

► Vague strategy targets

► Ability to take risks

Ref: A number of factors commonly prohibit effective resource allocation, including an **overprotection of Resources,** too great an emphasis on short-run financial criteria, **organizational politics**, **vague strategy Targets**, a reluctance to take risks, and a lack of sufficient knowledge.

133. Which of the following best describes "Just in time"?

► Implementing strategies just before bankruptcy

► delivering materials just as they are needed

► A scheduling method for meetings

► A personnel planning method

With JIT, parts and materials are delivered to a production site just as they are needed

134. Which of the following factors should be studied before locating production facilities?

► Availability of major resources

► Location of major markets

► Availability of trainable employees

► All of the given options

135. All of the following are strategic responsibilities of the human resource manager EXCEPT:

► Assessment of staff needs

► Assessment of costs for alternative strategies

► Development of staffing plan

► Development of financial plan

Ref: **Staffing need** of the organization and **its cost is** an important function of the human resource manager. The other main concerns include health, safety and security of the workers. **The plan** must also include how to motivate employees and managers during a time when layoffs are common and workloads are high.

136. Identify a reason due to which market segmentation is considered to be an important variable in strategy implementation.

► All company strategies require increased sales through new markets and products

► It allows a firm to operate with limited resources

► Market segmentation decisions directly affect marketing mix variables

► All of the given options

REF: First, strategies such as market development, product development, market penetration, and diversification require **increased sales through new markets and products.**

Market segmentation **allows a firm to operate with limited resources** because mass production, mass distribution, and mass advertising are not required.

Finally, **market segmentation decisions directly affect marketing mix variables**: product, place, promotion, and price

137. All of the following are key financial rations EXCEPT:

► Market share

► **Production quality**

► Earnings per share

► Return on equity

Ref: Some key financial ratios: Return on investment, Return on equity, Profit margin, Market share, Debt to equity, Earnings per share, Sales growth, and Asset growth.

FINALTERM EXAMINATION

Spring 2010 (PAPER 4)

MGT603- Strategic Management (Session - 3)

138. Concentric Diversification involves heading towards which of the following?

► **Adding new, but related, products or services**

► Adding new, unrelated products or services

► Regrouping through cost and asset reduction

► Adding unrelated products or services for new customers

139. Which of the following is often considered the first step in strategic planning?

► Devising a mission statement
► **Developing a vision statement**
► Setting annual objectives
► Formulating set of strategies

140. Which of the following can be considered as a factor of internal strengths and weaknesses of an organization?

► Technological changes
► **Production/operations**
► Demographics
► Competitive trends

141. Long-term objectives includes all of the following EXCEPT:

► Measurable
► Reasonable
► **Varying**
► Consistent

Ref: The Nature of Long-Term Objectives

Objectives should be quantitative, measurable, realistic, understandable, challenging, hierarchical, obtainable, and congruent among organizational units..(Page No.09)

142. All of the following statements are true about a firm's mission statement <u>EXCEPT:</u>

► **A mission statement directly contributes positively to financial performance**

► A mission statement does not directly contribute positively to financial performance

► A mission statement should not provide useful criteria for selecting among alternative strategies

► Primary reason to develop a mission statement is not to attract the customers

143. According to 'Peter Drucker', what is the prime task of strategic management?

► To develop the vision of the business

► Effectively evaluate the strategies

► **To think through the overall mission of a business**

► Develop alternative set of strategies

144. "A complex set of basic underlying assumptions and deeply held beliefs shared by all members of the group and drive in important ways the behavior of individuals in the organizational context" is known as:

► Internal audit

► Organizational culture

► Internal assessment

► Organizational strategy

145. Which of these is the allocation and reallocation of capital and resources to projects, products, assets and divisions of an organization

► Investment decision

► Financing decisions

► Restructuring decisions

► Strategic decision

Ref: The investment decision, also called capital budgeting, is the allocation and reallocation of capital and resources to projects, products, assets, and divisions of an organization. (Page No.64)

146. Amir, a sole proprietor, uses the information system to ask the question; "What if the prices will decrease by 16% in the next year?" Which of the following functions the information system is performing for Amir?

► Functional support role

► Decisional support role

► Managerial support role

► Analytical supporting role

Ref: The business decision-making support function goes one step further. It becomes an integral part -- even a vital part -- of decision -making. It allows users to ask very powerful "What if…?" questions: What if we increase the price by 5%? What if we increase price by 10%?(Page No.73)

147. Which of the following is sometimes referred as "the mystery approach to decision making, when subordinates are left to figure out what is happening and why"?

► Managing by hope

► Managing by extrapolation

► Managing by crisis

► **Managing by subjectives**

Ref: Managing by Subjective—built on the idea that there is no general plan for which way to go and what to do; just do the best you can to accomplish what you think should be done. In short, "Do your own thing, the best way you know how" (sometimes referred to as *the mystery approach to decision making* because subordinates are left to figure out what is happening and why).(Page no.79)

148. The purpose of an external audit is to prepare a list of which of the following?

► Opportunities and weaknesses

► Threats and strengths

► **Opportunities and threats**

► Strengths and weaknesses

149. Defensive strategies include all of the following EXCEPT:

► Retrenchment

► **Acquisition**

► Divestiture

► Liquidation

150. Smoothies Tire & Rubber Co. is selling its North American tire business to Avinza International, is an example of which type of strategy?

► Related diversification

► Retrenchment

► **Divestiture**

► Liquidation

Ref: Selling a division or part of an organization is called *divestiture.* Divestiture often is used to raise capital for further strategic acquisitions or investments. Divestiture can be part of an overall retrenchment strategy to rid an organization of businesses that are unprofitable, that require too much capital, or that do not fit well with the firm's other activities.

151. Which stage of the "Strategy Formulation Framework" includes an External Factor Evaluation Matrix and a Competitive Profile Matrix?

► Matching

► Decision

► **Input**

► All of the given options

Ref: Stage 1 of the formulation framework consists of the EFE Matrix, the IFE Matrix, and the Competitive Profile Matrix. Called the *Input Stage.(Page No.97)*

152. Which one of the followings is a sign of strength in a company's competitive position?

► A website with extensive information about the company and its product line

► Annual R&D and advertising expenditures greater than Rs.10 million

► **A strongly differentiated product, a strong or rising market share**

► A debt-to-asset ratio below 0.50 and a positive net cash flow and higher EPS

153. Firm with its SPACE matrix vector in conservative quadrant should peruse all of the following strategies EXCEPT:

► Market penetration

► Product development

► Market development

► **Divestiture**

Ref: Quadrant 2 is known as conservative quadrant. In this quadrant, following strategies can be followed:

Quadrant II

Market development

Market penetration

Product development

Horizontal integration

Divestiture

Liquidation (Page no.107)

154. All of the following would be considered while judging the financial strength of an organization EXCEPT:

► Increase in revenues

► **Market share**

► Return on Investment

► Cash flow statement

Ref: Determining financial strengths and weaknesses key to strategy formulation

Investment decision (Capital budgeting)

Financing decision

Dividend decision

Market share cannot be determined by above 3 decisions.

155. Which one of the following is NOT a major region of IE matrix?

► Grow and build

► **Grow and maintain**

► Hold and maintain

► Harvest or divest

Ref: IE Matrix divided into three major regions.

Grow and build – Cells I, II, or IV

Hold and maintain – Cells III, V, or VII

Harvest or divest – Cells VI, VIII, or IX

156. Which of the following strategy should be perused first by the Irtiza Insurance Company as it is located in Quadrant III of the Grand Strategy Matrix?

► Diversification

► Liquidation

► **Retrenchment**

► Divestiture

Ref: In quadrant III strategies should be followed in following sequence:

Quadrant III

1. **Retrenchment**
2. Concentric diversification
3. Horizontal diversification
4. Conglomerate diversification
5. Liquidation

157. According to the Grand Strategy Matrix, in which quadrant organizations have a strong competitive position but are in a slow-growth industry?

► I

► II

► III

► **IV**

Ref: See table on page 107.

158. Which of the following is TRUE about weights assigned in QSPM?

► This refers to preference assigned to the internal and external factors

► **This refers to relative importance of the internal and external factors**

► This refers to the insignificance of the internal and external factors

► This refers to the relative size of the internal and external factors

Ref: The weight assigned to a given factor indicates the relative importance of the factor to being successful in the firm's industry. (Page No.75)

159. Which of the following is the first step in preparing a pro forma financial analysis?

► Prepare the projected balance sheet

► Perform EPS/EBIT analysis

► Calculate the projected net income

► **Prepare the projected income statement**

There are six steps in performing pro forma financial analysis:

1. Prepare income statement before balance sheet (forecast sales)

2. Use percentage-of-sales method to project CGS and expenses

3. Calculate projected net income

4. Subtract dividends to be paid from Net Income and add remaining to Retained Earnings

5. Project balance sheet times beginning with retained earnings

6. List comments (remarks) on projected statements.

160. In preparing projected statements, to project cost of goods sold and the expense items in the income statement, which of the following is recommended?

► Use the net worth method

► EPS/EBIT analysis

► **Use percentage-of-sales method**

► Use price-earnings ratio method

Use percentage-of-sales method **to project CGS and expenses**

161. At least how many approaches are used for the implementation of strategy?

► Two

► Three

► **Four**

► Five

162. Managerial disorder and strategic deviation will appear if there is power struggle and conflicts among the departments of organization. The situation negates which one of the Rumelt's criteria?

► **Consistency**

► Consonance

► Feasibility

► Advantage

Ref: Consistency: Strategy should not present inconsistent goals and policies.

• Conflict and interdepartmental bickering symptomatic of managerial disorder and strategic inconsistency

163. All of the following are the examples of service activity of Porter's supply chain model <u>EXCEPT</u>:

► Customer support

► **Packaging**

► Repair services

► Installation

Ref: Service. The activities that maintain and enhance the product's value, including: customer support, repair services, installation, training, spare parts management, upgrading, etc.

164. All of the following are primary activities of Porter's supply chain model EXCEPT:

► Marketing and Sales
► Outbound Logistics
► **Firm Infrastructure**
► Inbound Logistics

Rationale: Firm Infrastructure is included in support activities.(Page no.147)

165. Which of the following statement is TRUE about Inbound Logistics?

► **It includes receiving, storing, inventory control & transportation planning**
► It includes machining, packaging, assembly, equipment maintenance & testing
► It includes activities required to deliver the finished product to the customers' end
► It includes the activities that maintain and enhance the product's value

Inbound Logistics. Includes receiving, storing, inventory control, transportation planning.

166. A revised EFE Matrix should focus on which of the following?

► Changes in the organization's management, marketing R & D, computer information system and environment.

► Marketing, finance/accounting, production/operations, R&D and computer information systems strengths and weaknesses

► Effectiveness of a firm's strategies in response to key opportunities and threats

► Effectiveness of an organization's strategy in pursuing the competitive goals and managerial actions

A revised EFE Matrix should indicate how effective a firm's strategies have been in response to key opportunities and threats.

167. Alternative strategy is decided in decision stage of Strategy-Formulation Framework. Which matrix is used in this stage to serve this purpose?

► BCG Matrix

► SPACE Matrix

► IE Matrix

► QSPM Matrix

Ref: The Quantitative Strategic Planning Matrix (QSPM)

The last stage of strategy formulation is decision stage. In this stage it is decided that which way is most appropriate or which alternative strategy should be select. This stage contains QSPM that is only tool for objective evaluation of alternative strategies. (Page no.110)

168. Input stage of strategy formulation framework includes developing which of the following set of matrices?

► IFE, EFE and QSPM matrix

► IFE, IE and BCG matrix

► IFE, CPM and EFE matrix

► EFE, IE and CPM matrix

Ref: Stage 1 of the formulation framework consists of the EFE Matrix, the IFE Matrix, and the Competitive Profile Matrix Called the *Input Stage. (Page No.97)*

169. Identify a case when a firm should adopt aggressive strategies.

► If a firm's directional vector is located in upper-right quadrant of a SPACE matrix

► If a firm's directional vector is located in upper-left quadrant of a SPACE matrix

► If a firm's directional vector is located in lower-right quadrant of a SPACE matrix

► If a firm's directional vector is located in lower-left quadrant of a SPACE matrix

170. Firms located in which quadrant of the Grand Strategy Matrix are in an excellent strategic position?

► I

► II

► III

► IV

Quadrant I of the Grand Strategy Matrix is in an excellent strategic position

171. Which of the following is the best divisional structure when a few major customers are of paramount importance and many different services are provided to these customers?

► By geographic area

► By customer

► By product

► By process

Ref: This structure allows an organization to cater effectively to the requirements of clearly defined customer groups. For example, book publishing companies often organize their activities around customer groups such as colleges, secondary schools, and private commercial schools.(Page no.119)

172. How can an ESOP empower employees?

► It empowers employees to work as owners

► It empowers employees to make financial plan

► It empowers employees to assess customer's needs

► It empowers employees to give training to other workers

Ref: an *employee stock ownership plan (ESOP),* are corporations owned in whole or in part by their employees. Employees are usually given a share of the

corporation after a certain length of employment or they can buy shares at any time.(Page no.128)

173. All of the following steps are required in product positioning EXCEPT:

► Select key criteria that effectively differentiate products or services in the industry

► Position your firm in the middle of the map

► Plot major competitors' products or services in the resultant matrix

► Identify areas in the positioning map where the company's products or services could be most competitive in the given target market

Ref: The following steps are required in product positioning:

1. Select key criteria that effectively differentiate products or services in the industry.
2. Diagram a two-dimensional product-positioning map with specified criteria on each axis.
3. Plot major competitors' products or services in the resultant four-quadrant matrix.
4. Identify areas in the positioning map where the company's products or services could be most competitive in the given target market. Look for vacant areas (niches).
5. Develop a marketing plan to position the company's products or services appropriately.

174. Some potential problems associated with using quantitative criteria for evaluating strategies include all of the following EXCEPT:

► Most quantitative criteria are geared to annual objectives rather than long-term objectives

►These ratios use qualitative data for evaluating strategies which often is not available

► Different accounting methods can provide different results on many quantitative criteria

► Intuitive judgments are almost always involved in deriving quantitative criteria

Rationale: Ratios always use quantitative data for evaluation which is often not available.

175. Which of the following is MOST appropriate about financial ratios?

► Compare a firm's performance with competitors

► Compare a firm's performance with suppliers

► Compare a firm's performance with non-financial ratios

► Compare a firm's performance with business standards

Ref: Quantitative criteria commonly used to evaluate strategies are financial ratios, which strategists use to make three critical comparisons: (1) comparing the firm's performance over different time periods, (2) **comparing the firm's performance to competitors',** and (3) comparing the firm's performance to industry averages..(Page no.151)

FINALTERM EXAMINATION

Fall 2009 (PAPER 5)

MGT603- Strategic Management (Session - 4)

176. Which of the following is NOT included in the strategic management model?

► Measure and evaluate performance

► Establish long-term objectives

► Develop mission and vision statements

► **Perform internal research to identify customers**

177. A mission statement should "reconcile interests among diverse stakeholders". What does it mean?

► All shareholders must be satisfied

► Shareholders should be given preference over customers

► **Firm will devote attention to meeting claims of various stakeholders**

► Firm will devote its attention towards the maximization of shareholders value

178. Which of the following is the first step in the controlling function of management?

► Take corrective actions

► Restrict breaks employees take

► Evaluate expense reports

► **Establish performance standards**

179. Which of the following allows an organization to test alternative marketing plans and to forecast future sales of new products?

► Marketing

► Advertisement

► **Test marketing**

► Customer analysis

180. The steps required to perform cost/benefit analysis include all BUT:

► Comparing the total costs with the total benefits

► Figure out the total costs associated with a decision

► Approximation of the total benefits from the decision

► **Adding the total cost and total benefit**

181. In strategy formulation phase, what can be the problem when only financial ratios are used to measure organizational performance?

► **They need to be compared with competitors'**

► They are only understandable by accountants

► There are many different measures available

► The measures are usually inconsistent

Financial measures need to be compared with competitors to have any value in a strategic sense

182. The IFE matrix summarizes and evaluates which factors in the functional areas of a business?

► Opportunities and threats

► Strengths and weaknesses

► Strengths and threats

► Opportunities and weaknesses

183. The Web sites that sell products directly to the consumers are the examples of which type of strategy?

► Backward integration

► Product development

► Forward integration

► Horizontal integration

184. Which of the followings best describes the Horizontal Integration?

► A firm takes over a supplier

► A firm takes over a distributor

► A firm takes over a competitor

► A firm takes over a manufacturer

185. Which of the following is a drawback or limitation of Horizontal Integration?

► Synergies may be more imaginary than real

► It can increase suppliers' and buyers' bargaining power

► Economies of scale are likely to be decreased

► Both the first & third options are correct

186. Competitive advantage based on differentiation derives from:

► Being the lowest cost producer in the industry and offering the lowest priced products

► Having processes and systems which are different from competitors

► Offering products which offer different benefits from competitors' and are valued by buyers

► Having the broadest range of different goods and services in the industry

187. All of the following situations are conducive to market development EXCEPT:

► When new channels of distribution are expensive

► When new untapped or unsaturated markets exist

► When an organization has excess production capacity

► When an organization's basic industry is becoming rapidly global

188. Which strategy would be effective when the stockholders of a firm can minimize their losses by selling the organization's assets?

► Liquidation

► Integration

► Differentiation

► Diversification

189. ABC firm has high production cost in Pakistan due to expensive raw material The firm is formulating the strategy of capturing the European market as prices of raw material used in ABC firm's products is relatively low in European market and demand is also there for the firm's products. Which of the following strategy the firm is going to use?

► **WO**

► SW

► ST

► WT

190. What of the following strategy would you recommend when a firm's SPACE Matrix directional vector has the coordinates (-5, -2)?

► Market penetration

► Market development

► Backward integration

► **Retrenchment**

191. ABC company is competing in an industry where the growth rate of that industry from year to year has reached zero or is close to zero, ABC is operating in which industry?

► Growing industry

► Emerging industry

► Mature industry

► **Declining industry**

192. IE matrix is based on which dimensions?

► Market share and industry growth

► Financial strength and industry strength

► **Weighed scores of IFE and EFE matrices**

► Market growth and competitive position

193. How can the divisions that fall in hold and maintain region of IE matrix be best managed?

► **Market penetration and product development**
► Forward integration and backward integration
► Horizontal diversification and joint venture
► Mergers and acquisitions

194. In Grand strategy matrix what will be the appropriate quadrant for the Ahmad textiles if it is operating in slow growing market and holds weak competitive position?

► Quadrant I
► Quadrant II
► **Quadrant III**
► Quadrant IV

195. Numerical values that indicate the relative attractiveness of each strategy in a given set of alternative strategies is referred as:

► Total attractiveness score
► **Attractiveness score**
► Weighted score
► Total weighted score

Attractiveness Scores (AS) defined as numerical values that indicate the relative attractiveness of each strategy in a given set of alternatives

196. What can be the limitation of QSPM?

► Only a few strategies can be evaluated simultaneously

► The cost of doing the analysis is very high

► **Intuitive judgments and educated assumption are required**

► It requires equal participation of everyone in organization

197. Which organizational structure is the most simple and economical?

► Strategic business unit

► **Functional structure**

► Divisional structure

► Matrix structure

198. All of the following fall under the category of restructuring EXCEPT:

► Reducing number of employees

► **Reducing number of shareholders**

► Reducing number of divisions

► Reducing number of hierarchical levels

Involves reducing the size of the firm in terms of number of employees, number of divisions or units, and number of hierarchical levels in the firm's organizational structure

199. Which one of the following is Educative change strategy?

► Giving orders to subordinates and enforcing those orders

► Changing the strategy of educational institutions

► **Presenting information to convince people of the need for change**

► Attempting to convince individuals that the change is for their interest

The educative change strategy is one that **presents information to convince people of the need for change**

200. Under Just in Time (JIT) approach, when the new stock is ordered?

► When stock comes to an end

► **When stock reaches the re-order level**

► On 1st of each month

► At the start of the year

201. Which one of the following variables is not directly affected by market segmentation?

► Product

► Place

► **Process**

► Price

202. In the low earnings period, which one of the following can endanger stockholders' return and can put in danger the company survival?

► **Too much debt in the capital structure**

► Too much liquid assets in the capital structure

► Too much equity in the capital structure

► Too much tax in the capital structure

203. Which element in the projected income statement cannot be forecasted using the percentage-of-sales method?

► Cost of goods sold

► **Interest expense**

► Selling expense

► Administrative expense

204. Which of these is the most common type of budgeting time frame?

► Daily

► Monthly

► Quarterly

► **Annually**

205. Which of the following is NOT accepted for determining a business worth?

► Firm's holdings

► Firm's earnings

► **Firm's return on investment**

► Firm's bringing in to the market

1. What a firm owns (hold)
2. What a firm earns
3. What a firm will bring in the market.

206. If technology is changing rapidly and the market is growing slowly then what decision the firm should take regarding R & D?

► In-house R&D should be established

► Acquisition of a well-established firm in the industry

► **R&D investment is risky, so don't take any action**

► Obtain R&D expertise on an nonexclusive basis

207. Which of the following is NOT one of the major approaches to R&D?

► To be an innovative imitator of successful products
► To be a low-cost producer by mass-producing products
► To be a differentiated products manufacturer in industry
► To be the first firm to market new technological products

208. What is the appropriate time frame for strategy-evaluation activities?

► At the beginning of a problem
► On a continuous basis
► Upon completion of major projects
► After the closing of financial year

209. To make changes in the organization's management, marketing, finance/accounting and R&D, which one of the following should be focused?

► Revised mission
► Revised IFE matrix
► Revised EFE matrix
► Revised EPM matrix

210. A revised IFE Matrix should focus on which one of the following?

► Changes in the organization's management, marketing R & D, computer information system and external environment.

► Marketing, finance/accounting, production/operations, R&D and computer information systems strengths and weaknesses

► Effectiveness of a firm's strategies in response to key opportunities and threats

► Effectiveness of an organization's strategy in pursuing the competitive goals and managerial actions

211. Which of the following statement is TRUE about most of the quantitative criteria of evaluating strategies?

► These are geared to annual objective

► These are geared to short-term objective

► These are geared to long-term objective

► These are geared to social objectives

Most quantitative criteria are geared to annual objectives

212. Which one of the following is NOT correct about financial ratios?

► These are used to compare the firm's performance over different time periods

► These are used to compare the firm's performance relevant to its competitors'

► These are used to compare the firm's performance in relation to industry averages

► These are used to compare the firm's performance in relation to future trends

213. Which of the following enables the firm to create superior value for its customers and superior profits for itself in comparison to its rival firms?

► **Competitive advantage**

► Comparative advantage

► Differential advantage

► Suitable advantage

214. Which of the following environment includes all those factors which affect the organization and is itself affected by the organization?

► **Task environment**

► Social environment

► External environment

► Internal environment

215. Non-financial benefits of strategic management include all of the following EXCEPT:

► Enhanced awareness of threats

► Reduced resistance to change

► **Increase in sales**

► Better awareness of external threats

216. Which cell of the TOWS Matrix involves matching internal strengths with external opportunities?

► The WT cell

► **The SO cell**

► The SW cell

► The ST cell

217. In the Boston Consulting Group (BCG) growth-share matrix, which strategy in the matrix describes large generation of cash and heavy investment needed to grow and maintain competitive positioning but net cash flow is usually modest?

► **Stars**
► Dogs
► Cash cows
► Question marks

http://arjun.net.np/bba/bcg.php

218. Which of the following best describes "Strategy Implementation"?

► It refers to positioning forces before the action
► It focuses on effectiveness
► **It requires coordination among many individuals**
► It requires coordination among few individuals

219. There are numerous external and internal factors that can prohibit firms from achieving long-term and annual objectives. Which of the following is NOT an external factor?

► Actions by competitors
► Changes in technology
► Changes in demand
► **Ineffective strategies**

220. According to "Linneman and Chandran", which of the following permits quick response to change, prevents panic in crisis situations and makes managers more adaptable?

► Forecasting

► **Contingency planning**

► Taking corrective actions

► Environmental scanning

FINALTERM EXAMINATION

Fall 2008 (paper 6)

MGT603- Strategic Management (Session - 1)

221. Strategic management integrates all of the following areas EXCEPT:

Management

Marketing

Research and development

Human resource management

Explanation: The study of strategic management integrates different topics. Different courses are integrated due to the study of this course so that businesses become successful in every sector. It integrates the following:

1. Marketing
2. Management
3. Finance
4. Research and development

222. Which type of trend can be exemplified by the increase in average level of education in a society?

Cultural

Technological

Economic

Social

223. All of the following fall under the category of Process functions of production management EXCEPT:

Choice of technology

Quality assurance

Process flow analysis

Transportation analysis

Process decisions concern the design of the physical production system. Specific decisions include **choice of technology**, facility layout, **process flow analysis**, facility location, line balancing, process control, and **transportation analysis.**

224. A planned activity aimed at discovery of new knowledge with the hope of developing new or improved products and services and translation of its findings into a plan or design of new or improved products and services is known as:

Marketing

Research and development

Production

Management information system

225._____ become/s information only when it/they is/are evaluated, filtered, condensed, analyzed and organized for a specific purpose, problem, individual, or time

Material

Data

Competitive advantages

Competitor analysis

226. The extent to which a business concentrates on a narrowly defined market is best referred to as:

Niche strategy

Cost leadership strategy

Differentiation strategy

Segmentation

Niche Marketing: - Segment is a large identifiable group within a market. - Niche is a more narrowly defined group.

Niche Marketing

A niche is a more narrowly defined group, (typically a small market whose needs are not being well served). Marketers usually identify niches

by dividing a segment into sub segments or by defining a group seeking a distinctive mix of benefits. For example, a tobacco company might identify two sub segments of heavy smokers: those who are trying to stop smoking, and those who don't care.

http://www.scribd.com/doc/26697096/target-marketing-and-marketing-segmentation

227. under which of the following conditions, Concentric Diversification would be particularly an effective strategy to pursue?

When an organization has grown so large so quickly that major internal reorganization is needed

When sales of current products would increase intensively by adding the new related products

When revenues from current products/services would increase significantly by adding the new unrelated products

When current products are in maturity stage of the product life cycle

Guidelines for Concentric Diversification

Five guidelines when concentric diversification may be an effective strategy are provided below:

- Competes in no- or slow-growth industry
- **Adding new & related products increases sales of current products**
- New & related products offered at competitive prices
- Current products are in decline stage of the product life cycle
- Strong management team

228. Which of the following stages in the strategy-formulation framework focuses on summarizing the basic information needed to formulate strategies?

Output

Input

Decision

Matching

Input Stage, Stage 1 summarizes the basic input information needed to formulate strategies.

229. Which of the following stages of Strategy Formulation Framework involves development of Internal-Factor Evaluation Matrix?

Input stage

Output stage

Matching stage

Decision stage

Stage-1 (Formulation Framework)

1. External Factor Evaluation
2. Competitive matrix profile
3. Internal Factor Evaluation

230. Which of the following stages of strategy formulation framework involves development of Internal External Matrix?

Input stage

Output stage

Matching stage

Decision stage

Stage-2 (Matching stage)

1. TWOS Matrix (Threats-Opportunities-Weaknesses-Strengths)
2. SPACE Matrix (Strategic Position and Action Evaluation)
3. BCG Matrix (Boston Consulting Group)
4. IE Matrix (Internal and external)
5. GS Matrix (Grand Strategy)

231. In order to avoid the emergence of substitute Products Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?

SO Strategy

WO Strategy

WT Strategy

ST Strategy

232. What type of strategies would you recommend when a firm's SPACE Matrix directional vector has the coordinates (-2, +3)?

Aggressive

Conservative

Competitive

Defensive

233. Which of the following is NOT a step for the preparation of a SPACE matrix?

Select a set of variables to relating to financial strength, competitive advantage, environmental stability, and industry strength

Assign a numerical value ranging from +1 (worst) to +6 (best) to each of the variables that make up the financial strength and industry strength dimensions

Assign weights to the variables according to their relative importance for the firm

Compute an average score and dividing by the number of variables

Steps for the preparation of SPACE Matrix

The steps required to develop a SPACE Matrix are as follows:

1. Select a set of variables to relating to financial strength, competitive advantage, environmental stability, and industry strength

2. Assign a numerical value ranging from +1 (worst) to +6 (best) to each of the variables that make up the financial strength and industry strength dimensions. Assign a numerical value ranging from -1 (best) to -6 (worst) to each of the variables that make up the environmental stability and competitive advantage dimensions.

3. Compute an average score and dividing by the number of variables

4. Plot the average scores in the SPACE Matrix.

5. Add the two scores on the x-axis and plot the resultant point on X. Add the two scores on the y-axis and plot the resultant point on Y. Plot the intersection of the new xy point.

6. Draw a directional vector from the origin of the SPACE Matrix through the new intersection point.

234. What is the product of weights and attractiveness scores for each strategy in QSPM?

Sum total attractiveness scores

Total attractiveness scores

Weighted scores

Total weighted scores

Compute the Total Attractiveness Scores. Total Attractiveness Scores are defined as the product of multiplying the weights (Step 2) by the Attractiveness Scores (Step 4) in each row.

http://www.mba-tutorials.com/strategy/230-quantitative-strategic-planning-matrix-qspm.html

235. Which of the following is a corporate level objective?

Getting 75% customer awareness of company s brand in target markets

Increasing earnings per share by at least 10%

Building customer database of at least 250,000 companies

Achieving a 10% share of International market

(1) Corporate level

These are objectives that concern the business or organization as a whole

Examples of "corporate objectives might include:

1. We aim for a return on investment of at least 15%
2. We aim to achieve an operating profit of over £10 million on sales of at least £100 million
3. We aim to increase earnings per share by at least 10% every year for the foreseeable future

236. The manager of MZ firm has defined the goal that the firm wants to increase its production by at least 200 units in size. Thus, which part of the SMART criteria has been focused by the firm through this goal statement?

Specific

Measurable

Achievable

Relevant

237. Mr. Ali, the operations manager of ABC Company did not agree with the proposal of marketing manager - Mr. Zeeshan at the meeting regarding launch of a new product. There was an exchange of hot word among them. The matter was referred to CEO, so that the conflict could be resolved, but the CEO did

not take any action in the hope that the conflict will resolve itself. The statement describes which of the conflict resolution mood?

Avoidance

Compliance

Diffusion

Confrontation

Avoidance is sometimes the best course of action. Often time will fix whatever problem has existed and trying to fix it yourself will just make it worse. Still this rarely works. More often than not, avoiding conflict is just a sign of an inability to successfully manage problems. The conflict avoider often develops rationales for the conflict, dodges meetings or conversations where conflict is present, and hopes the **conflict will resolve itself on its own.**

238. Ahmad fisheries is going to arrange a meeting with AH& T distributors so that the matters regarding wrong delivery by AH & T and conflict arising from it can be settled. Which of the following conflict resolving approach is followed in the situation?

Avoidance

Confrontation

Resistance

Diffusion

239. Of the following, which one is least likely to be considered an advantage presented by a matrix organizational structure?

It facilitates the use of highly specialized staff and equipment

It minimizes the project cost because the key people can be shared

It can raise dual reporting and communication problems

It provides excellent training ground for strategic managers

http://docs.google.com/viewer?a=v&q=cache:X3a8FeyB6cQJ:faculty.ksu.edu.sa/73861/Documents/courseslectures/MANAGEMENT/ORGANIZATIONAL%2520STRUCTURE.ppt+an+advantage+a+matrix+organizational+It+facilitates+the+use+of+highly+specialized+staff+and+equipment&hl=en&gl=pk&pid=bl&srcid=ADGEESh9_IL0CrOe6ZNHKvc1BSagyOm_UMDvru_FcCwroVVXDbxBuBR6N2S6iXWbGH_maCEuxHNpaclwKAQYBy8ZFnwbj-Y9uQ0W0u4vRqKNPHmJyFWjQDhnTeadgS9BGnUN9cTI37Ot&sig=AHIEtbTselJRbaE2pHf1dNqxCAURI6NjRg

It is the disadvantage of matrix structure:

It can raise dual reporting and communication problems

240. Zairian Corporation has streamlined its operations by cutting costs, such as decrease in payroll or reduction in its size through the sale of assets. In which of the following activity Zaria Corporation is involved?

E-Engineering

Re-engineering

Restructuring

Benchmarking

A company restructures its operations or structure by cutting costs, such as payroll, or reducing its size through the sale of assets

http://www.answers.com/topic/restructuring

241. Production processes typically constitute of what percentage of firm's total assets?

More than 70 %

More than 65 %

More than 60 %

More than 55 %

Production processes typically constitute more than 70 percent of a firm's total assets

242. Which one of the following is TRUE about two different market segments?

They can be served with the same marketing strategy

They usually require different marketing strategies

They are always in different geographic locations

There is heterogeneity within the segment in its needs

A true market segment meets all of the following criteria:

1. **It is distinct from other segments. Different segments have different needs.**

2. It is homogeneous within the segment. People belonging to a market segment exhibit common needs.
3. It responds similarly to a market stimulus.
4. It can be reached by a market intervention.

243. XYZ Company has segmented its market by keeping in view occupation and education level of customers. Which of the following bases of segmentation the company has used?

Demographic

Psychographic

Behavioural

Geographic

Some **Demographic segmentation** variables include:

- Age
- Gender
- Family size
- Family lifecycle
- Generation: baby-boomers, Generation X, etc.
- Income
- **Occupation**
- **Education**
- Ethnicity
- Nationality
- Religion
- Social class

244. Which of the following statement is TRUE about 'firm infrastructure' as a support activity of Michael Porter's value chain model?

It includes procurement of raw materials, servicing, spare parts, buildings, machines
It Includes technology development to support the value chain activities like Process automation
It includes the activities associated with recruiting and development of employees and managers
It includes general management, planning management, legal, finance, accounting, public affairs

Firm Infrastructure Includes general management, planning management, legal, finance, accounting, public affairs, quality management, etc.

245. Which of the following statement is correct about human resource management?

It includes procurement of raw materials, servicing, spare parts, buildings, machines
It Includes technology development to support the value chain activities like Process automation
It includes the activities associated with recruiting and development of employees and managers

It includes general management, planning management, legal, finance, accounting, public affairs

Human Resource Management The activities associated with recruiting, development (education), retention and compensation of employees and managers

246. All of the following are the cost drivers of Porter s supply chain activities EXCEPT:

Capacity utilization
Timing of market entry
Economies of scale
Firm's infrastructure

Porter identified 10 cost drivers related to value chain activities:

1. Economies of scale.
2. Learning.
3. Capacity utilization.
4. Linkages among activities.
5. Interrelationships among business units.
6. Degree of vertical integration.
7. Timing of market entry.
8. Firm's policy of cost or differentiation.
9. Geographic location.
10. Institutional factors (regulation, union activity, taxes, etc.).

248. The people who perform audit can be categorized as all of the following EXCEPT:

Independent auditors

Financial auditor

Government auditors

Internal auditors

People who perform audits can be divided into three groups:

1. Independent auditors
2. Government auditors
3. Internal auditors

FINALTERM EXAMINATION

Fall 2008 MGT603- Strategic Management (Session - 2) (paper 7)

249. R&D expertise should be obtained through acquisition of a well-established firm in the industry in which of the following situation?

►If both technical progress and market growth are fast

►If technology is changing slowly but the market is growing fast

►If the technical progress is slow, market growth the rate is moderate

►If technology is changing rapidly and the market is growing slowly

250. The purpose of a mission statement is to declare all of the following EXCEPT:

►A reason of being

►A statement of purpose

►An annual financial plan

►A statement of beliefs

251. Ethnic balance changes due to the migration of the people from different areas to different areas. This affects the ethical behavior very much", this is the effect of which of the following forces?

►Economic forces

►Social, cultural, and demographic forces

►Technological forces

►Competitive forces

Pg 31

252. Which one of the statements is a good example of the competitive power of substitute products?

►The competition between contact lens and eyeglasses

►The competition between Amazon.com and traditional off-line bookstores

►The competition between cellular phones and computers

►The competition between Aspirin and joshanda

253. Assigning 1 rating to a key external factor indicates that:

►Response is average

►Response is poor

►Response is superior

►Response is above average

Pg 44

254. What is the difference between CPM and EFE?

►CPM includes both internal and external issues

►The weight and total weighted score mean opposite

►CPM ratings range from 1 to 10

►CPM is performed only for the large businesses

255. Which of the following can be the strength of an organization?

►A developing market

►A new international market

►Loosening of regulation

►Strong management team

256. Abdullah Group of Industries is involved in the sale most likely to say that Abdullah Group is implement strategy

►Join venture
►Acquisition
►Liquidation
►Retrenchment

257. Which strategy should be implemented when a division organization's overall poor performance?

►Divestiture
►Forward integration
►Cost leadership
►Related diversification
Pg 94

258. Matching stage of strategy formulation framework comprises of formulation of which of the following set of matrices?

►BCG, SPACE, QSPM matri
►BCG, SPACE, TWOS Matrix
►SPACE, TWOS and IFE matrix
►BCG, SPACE, EFE Matrix
Pg 97

259."Other than ranking strategies to achieve the prioritized list, only one analytical technique in strategy formulation which is designed to determine the relative attractiveness of feasible alternative actions" is known as:

►SPACE

►QSPM

►IFE

►CPM

http://docs.google.com/viewer?a=v&q=cache:b2HGAJh-54sJ:www.stephenibaraki.com/cips/sp/CIPS%2520Strategy%2520Analysis.doc+Other+than+ranking+strategies+to+achieve+the+prioritized+list,+only+one+analytical+technique+in+strategy+formulation+which+is+designed+to+determine+the+relative+attractiveness+of+feasible+alternative+actions&hl=en&gl=pk&pid=bl&srcid=ADGEESiQAXPNWuK_M-eYJVtBAt35H3dvWA2eU9xHsKm7KEzAeTCdNa2zH5Wx2ZPXQzaI5g_xs3UQV_ShA6PFOGwnx9nh8tZL7MmMMobJBOPF8bRTFZPSKAHigOJ4Ry-jfiruCJlniAJJ&sig=AHIEtbQy2NZXHeVmq2Vt0hzXbKrLIofUOg

260. A position vector with (-6, +6) coordinates describes which one of the following statement regarding SPACE analysis matrix

►A financially weak and highly competitively firm

►A financially strong and highly competitively firm

►A financially strong firm but competitively weak

►A financially as well as competitively weak firm

261. On the x-axis of IE Matrix, an IFE total weighted score of 3.75 depicts what?

►A weak internal position

►An average internal position

►A strong internal position

►A low internal position

On the x-axis of the IE Matrix, an

IFE total weighted score of 1.0 to 1.99 represents a weak internal position; a score of 2.0 to 2.99 is considered average; and a score of 3.0 to 4.0 is strong.

262. Which of the following is NOT a part of resource allocation plan?

►Basic allocation decision

►Contingency mechanisms

►Primary allocation mechanism

►None of the given options

Pg 116

263. Which one of the following is not an approach to resolve conflicts?

►Avoidance

►diffusion

►Confrontation

►Ignorance

Strategies for resolving or preventing the development of conflict can be classified as **avoidance, diffusion, or confrontation.**

264. Which approach for managing and resolving conflict involves playing down differences between conflicting parties while stressing on similarities and common interests?

►Avoidance

►Compliance

►Diffusion

►Confrontation

A diffusion strategy can include playing down differences between conflicting parties while accenting similarities and common interests, compromising so that there is neither a clear winner nor loser, resorting to majority rule, appealing to a higher authority, or redesigning present positions.

http://pechdawin.blogspot.com/2010/10/glossary-fo-strategic-management.html

265. All of the following would be considered as true statements regarding the matrix organizational structure EXCEPT which one?

►It reduces managerial positions

►It shares authority and responsibility among managers

►It distributes stress among the team members

►It maintains better balance between time and performance

The basis for the matrix organization is an endeavor to create synergism through shared responsibility between project and functional management. Other

advantages of a pure matrix organizational form, to project management, include:

- Because key people can be shared, the project cost is minimized
- Conflicts are minimal, and those requiring hierarchical referrals are more easily resolved
- There is a **better balance between time, cost and performance**
- **Authority and responsibility are shared**
- **Stress is distributed among the team**

266. The inventory is viewed as which of the following in Just in Time Inventory system

►**Incurring costs**

►Adding value

►Disburse expense

►None of the given options

Pg 127

267. What is NOT a major benefit of having a diverse workforce?

►Improvement of the bottom line

►**An increase in training costs**

►An increase in productivity

►A decrease in complaints

268. Market segmentation is especially used in implementing strategies by which of the following firms?

►**Small firms**

►Large firms

►Medium-size firms

►All of the given options

Market segmentation is widely used in implementing strategies, especially for small and specialized firms.

269. All of the following are the requirements for successful segmentation EXCEPT:

►Segment is large enough to be profitable

►**Homogeneity between the segments**

►Segments are accessible and actionable

►Heterogeneity between segments

The requirements for successful segmentation are:

- Homogeneity within the segment
- Heterogeneity between segments
- Segments are measurable and identifiable
- Segments are accessible and actionable
- Segment is large enough to be profitable.....

270."The process of dividing markets into groups of consumers who are similar to each other". Which of the following terms describes the statement?

►Positioning

►**Segmentation**

►Marketing

►Targeting

Segmentation
The process of dividing markets into groups of consumers who are similar to each other, but different to the consumers in other groups.

http://www.esomar.org/index.php/glossary-s.html

271. Which of the following statements is FALSE about mass marketing?

►Mass marketing reduces costs through economies of scale by the increased volume

►**Mass marketing does not try to please all customers with same offering**

►Mass marketing allows economies of scale to be realized through mass production

►Mass Marketing means attempting to sell the same product to a wider audience

It is definition of Target Marketing:

Target marketing on the other hand recognizes the diversity of customers and does not try to please all of them with the same offering

272. What is the purpose of strategy evaluation?

►Increase the budget annually

►**Alert management of problems**

►Make budget changes

►Evaluate employees' performance

Purpose of strategy evaluation
• Strategy evaluation is vital to the organization's well-being
• Alert management to potential or actual problems in a timely fashion
• Erroneous strategic decisions can have severe negative impact on organizations

273. All of the following are the examples of technology development EXCEPT:

►Research and Development

►**Quality management**

►Process automation

►Design and redesign

Technology Development Includes technology development to support the value chain activities.
Such as: **Research and Development, Process automation, design, redesign**

274. What is the basis for quantitative financial evaluation?

►The EPS/EBIT Analysis

►Capital Asset Pricing Model

►**Financial ratios**

►Present value analysis

http://webcache.googleusercontent.com/search?q=cache:cDPuGh0qSQ0J:shc-staffweb.hct.ac.ae/skhartabil/Skhartabil/TEACHING%2520RESOURCES/STRA

TEGIC%2520MANAGEMENT/Exams/chapter09.doc+What+is+the+basis+for+quantitative+financial+evaluation%3F&cd=1&hl=en&ct=clnk&gl=pk&source=www.google.com.pk

What is the basis for quantitative financial evaluation?

a. Reduction in costs

b. The EPS/EBIT Analysis

c. Capital Asset Pricing Model

d. Financial ratios

e. Present value analysis

Strategic management_MGT603

Quizzes For Final term

Lecture 1 to 45

Question No: 1 (Marks: 1) - Please choose one

Strategic management integrates all of the following areas EXCEPT:
Management
Marketing
Research and development
Human resource management

Question No: 2 (Marks: 1) - Please choose one

Strategist is an individual who is involved in the strategic management process, thus may be known as:
Member board of director
President
Division manager
All of the given options

Question No: 3 (Marks: 1) - Please choose one

A desired future state that the organization attempts to realize . Identify the term relevant to the given statement.

Policy
Procedure
Goal
Strategy

Question No: 4 (Marks: 1) - Please choose one

Which of the following business actions is NOT considered to be unethical?

Poor product or service safety
Using non-union labor in a union shop
Misleading advertising
Too expensive products

Question No: 5 (Marks: 1) - Please choose one

Which type of trend can be exemplified by the increase in average level of education in a society?

Cultural
Technological
Economic
Social

Question No: 6 (Marks: 1) - Please choose one

Allocation and reallocation of capital and resources to projects, products, assets, and divisions of an organization is known as:

Investment decisions
Financing decisions
Restructuring decisions
Strategic decision

Question No: 7 (Marks: 1) - Please choose one

All of the following fall under the category of Process function of production management EXCEPT:

Choice of technology
Quality assurance
Process flow analysis
Transportation analysis

Question No: 8 (Marks: 1) - Please choose one

A planned activity aimed at discovery of new knowledge with the hope of developing new or improved products and services and translation of its findings into a plan or design of new or improved products and services is known as:

Marketing

Research and development

Production

Management information system

Question No: 9 (Marks: 1) - Please choose one

_____ become/s information only when it/they is/are evaluated, filtered, condensed, analyzed and organized for a specific purpose, problem, individual, or time.

Material

Data

Competitive advantages

Competitor analysis

Question No: 10 (Marks: 1) - Please choose one

The Web sites that sell products directly to the consumers are the examples of which type of strategy?

Backward integration

Product development

Forward integration

Horizontal integration

Question No: 12 (Marks: 1) - Please choose one

Under which of the following conditions, Concentric Diversification would be particularly an effective strategy to pursue?

When an organization has grown so large so quickly that major internal reorganization is needed

When sales of current products would increase intensively by adding the new related products

When revenues from current products/services would increase significantly by adding the new unrelated products

When current products are in maturity stage of the product life cycle

Question No: 13 (Marks: 1) - Please choose one

Which of the following stages in the strategy-formulation framework focuses on summarizing the basic information needed to formulate strategies?

Output

Input

Decision

Matching

Question No: 14 (Marks: 1) - Please choose one

Which of the following stages of Strategy Formulation Framework involves development of Internal-Factor Evaluation Matrix?

Input stage
Output stage
Matching stage
Decision stage

,

Question No: 15 (Marks: 1) - Please choose one

Which of the following stages of strategy formulation framework involves development of Internal External Matrix?

Input stage
Output stage
Matching stage
Decision stage

Question No: 16 (Marks: 1) - Please choose one

In order to avoid the emergence of substitute products, AF & Z Corporation has an access and control over the scarce natural resources necessary for the production of their products, Which of the following strategies AF & Z is using?

SO
WO
SW
ST

Question No: 17 (Marks: 1) - Please choose one

What type of strategies would you recommend when a firm s SPACE Matrix directional vector has the coordinates (-2, +3)?

Aggressive
Conservative
Competitive
Defensive

Question No: 18 (Marks: 1) - Please choose one

Which of the following is NOTa step for the preparation of a SPACE matrix?

Select a set of variables to relating to financial strength, competitive advantage, environmental stability, and industry strength
Assign a numerical value ranging from +1 (worst) to +6 (best) to each of the variables that make up the financial strength and industry strength dimensions
Assign weights to the variables according to their relative importance for the firm
Compute an average score and dividing by the number of variables

Question No: 19 (Marks: 1) - Please choose one

The business has a strong competitive position but is in a slow-growth industry. Further, the business typically has high cash flow levels and limited internal growth needs. The statement refers which of the following?

The firm falling in Quadrant I of Grand Strategy Matrix

The firm falling in Quadrant II of Grand Strategy Matrix

The firm falling in Quadrant III of Grand Strategy Matrix

The firm falling in Quadrant IV of Grand Strategy Matrix

Question No: 21 (Marks: 1) - Please choose one

Which of the following is a Functional level objective?

Achieving return on investment of at least 15%

Aiming to achieve a market share of 10%

Attaining operating profit of over Rs.10 million

Increase earnings per share by at least 10% every

Question No: 22 (Marks: 1) - Please choose one

Which of the following is a Corporate level objective?

Getting 75% customer awareness of company s brand in target markets

Increasing earnings per share by at least 10%

Building customer database of at least 250,000 companies

Achieving a 10% share of International market

Question No: 23 (Marks: 1) - Please choose one

The manager of MZ firm has defined the goal that the firm wants to increase its production by at least 200 units in size. Thus, which part of the SMART criteria has been focused by the firm through this goal statement?

Specific

Measurable

Achievable

Relevant

Question No: 27 (Marks: 1) - Please choose one

Which one of the following is the organizational structure that most of the medium-size organizations follow?

Divisional structure

Strategic business unit

Functional structure

Matrix structure

Question No: 28 (Marks: 1) - Please choose one

Of the following, which one is least likely to be considered an advantage presented by a

matrix organizational structure?
It facilitates the use of highly specialized staff and equipment
It minimizes the project cost because the key people can be shared
It can raise dual reporting and communication problems
It provides excellent training ground for strategic managers

Question No: 29 (Marks: 1) - Please choose one

Zairian Corporation has streamlined its operations by cutting costs, such as decrease in payroll or reduction in its size through the sale of assets. In which of the following activity Zaria Corporation is involved?
E-Engineering
Re-engineering
Restructuring
Benchmarking

Question No: 31 (Marks: 1) - Please choose one

All of the following are the managerial issues for managing natural environment EXCEPT:
Global warming- depletion of rain forests
Employee understanding about environment
Developing biodegradable products and packages
Waste management to clean air and water
Question No: 32 (Marks: 1) - Please choose one

Production processes typically constitute of what percentage of firm s total assets?
More than 70 %
More than 65 %
More than 60 %
More than 55 %

Question No: 34 (Marks: 1) - Please choose one

XYZ Company has segmented its market by keeping in view occupation and education level of customers. Which of the following bases of segmentation the company has used?
Demographic
Psychographic
Behavioral
Geographic
Question No: 35 (Marks: 1) - Please choose one

Which variable would be considered as a part of pricing decisions?
Warranty
Bundling
Safety
Functionality

Question No: 36 (Marks: 1) - Please choose one

Which of the following statement is TRUE about 'firm infrastructure' as a support activity of Michael Porter's value chain model?
It includes procurement of raw materials, servicing, spare parts, buildings, machines
It Includes technology development to support the value chain activities like Process automation
It includes the activities associated with recruiting and development of employees and managers
It includes general management, planning management, legal, finance, accounting, public affairs

Question No: 37 (Marks: 1) - Please choose one

Which of the following statement is correct about human resource management?
It includes procurement of raw materials, servicing, spare parts, buildings, machines
It Includes technology development to support the value chain activities like Process automation
It includes the activities associated with recruiting and development of employees and managers
It includes general management, planning management, legal, finance, accounting, public affairs
:
Question No: 38 (Marks: 1) - Please choose one

All of the following are the cost drivers of Porter s supply chain activities EXCEPT:
Capacity utilization
Timing of market entry
Economies of scale
Firm's infrastructure

Question No: 40 (Marks: 1) - Please choose one

Which of the following statement is TRUE about Controls which are used in strategy evaluation stage?
They are strategy-oriented

They are action-oriented
They are control-oriented
They are information-oriented

Question No: 41 (Marks: 1) - Please choose one

A good evaluation system must posses various qualities. Which of the following is not a characteristic of a good strategy evaluation system?
Strategy-evaluation activities must be economical
Strategy-evaluation activities should be meaningful
Strategy-evaluation activities should dominate the decisions
Strategy-evaluation activities should provide timely information
Question No: 42 (Marks: 1) - Please choose one
The people who perform audit can be categorized as all of the following EXCEPT:
Independent auditors
Financial auditors
Government auditors
Internal auditors

Question # 1 of 15 (Start time: 08:34:41 PM) Total Marks: 1
Firms in quadrant-IV of grand strategy matrix have which of the following characteristics?
Select correct option:

Rapid market growth and strong competitive position
Rapid market growth and weak competitive position
Slow market growth and strong competitive position
Slow market growth and weak competitive position

Question # 2 of 15 (Start time: 08:35:29 PM) Total Marks: 1
Assigning rating 3 to an internal factor in IFE matrix indicates what?
Select correct option:

Major weakness
Minor weakness
Minor strength
Major strength

Question # 3 of 15 (Start time: 08:36:28 PM) Total Marks: 1
Which one of the following dimensions is NOT a recommended component of a mission statement?
Select correct option:

Self-concept

Markets
Strategies
Customers

Question # 4 of 15 (Start time: 08:37:04 PM) Total Marks: 1
All of the following are used as a base for market segmentation EXCEPT:
Select correct option:

Socioeconomic
Geographic
Demographic
Psychographic

Question # 5 of 15 (Start time: 08:37:43 PM) Total Marks: 1
Majority of the businesses follow which of the following organizational structure?
Select correct option:

Strategic business unit
Functional structure
Divisional structure
Matrix structure

Question # 6 of 15 (Start time: 08:38:28 PM) Total Marks: 1
In the SPACE analysis, what does (+6, +3) strategy profile portray?
Select correct option:

A strong industry with strong financial strength
A stable environment with strong financial strength
A stable environment for highly competitive firm
A strong industry operating in stable environment

Question # 7 of 15 (Start time: 08:39:59 PM) Total Marks: 1
Which of the following statement is referred to 'Price fluctuation'?
Select correct option:

Decrease in prices
Increase in prices
Fluctuation in the prices of a particular commodity
Fluctuation in general price level

Question # 8 of 15 (Start time: 08:40:23 PM) Total Marks: 1
Long-term objectives are needed at which level(s) of the organization?
Select correct option:

Corporate level
Divisional level
Functional level
All of the given options

Question # 9 of 15 (Start time: 08:40:59 PM) Total Marks: 1
For the past four years the ABC Corporation has been planning to expand its operations in order to reach out to the world market. Essentially, the ABC Corporation desires to do what?
Select correct option:

Become an online business
Become a brick-n-mortar business
Embrace globalization
Become a click-n-mortar business

Question # 10 of 15 (Start time: 08:41:43 PM) Total Marks: 1
Establishing and implementing ways of making things work is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 11 of 15 (Start time: 08:42:35 PM) Total Marks: 1
All of the following are functional support roles of Management Information System EXCEPT:
Select correct option:

Recording and storing accounting records
Recording and storing inventory data
Recording and storing business intelligence data
The enhanced ability to explore "what if"

Question # 12 of 15 (Start time: 08:43:05 PM) Total Marks: 1
Strategy formulation stage includes all of the following EXCEPT:
Select correct option:

Vision and mission
Strength and weakness
Opportunities and threats
Annual objectives

Question # 13 of 15 (Start time: 08:43:52 PM) Total Marks: 1
During which stage of strategic management, firm’s specific internal strengths and weaknesses are determined?
Select correct option:

Formulation
Implementation

Evaluation
Feedback

Question # 14 of 15 (Start time: 08:44:21 PM) Total Marks: 1
The SPACE matrix of XYZ company shows that the coordinates of its directional vector are (-5, -5). What strategy would you recommend for the ABC Company?
Select correct option:

Concentric diversification
Market development
Backward integration
Joint venture

Question # 15 of 15 (Start time: 08:45:14 PM) Total Marks: 1
Which one of the following is NOT a basic mission of a competitive intelligence program?
Select correct option:

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

Question # 1 of 15 (Start time: 08:49:07 PM) Total Marks: 1
According to Porter, which strategy offers products or services to a small range of customers at the lowest price available on the market?
Select correct option:
Low cost
Best value
Cost focus
Differentiation

Question # 2 of 15 (Start time: 08:49:48 PM) Total Marks: 1
All of the following are the indicators of industry strength for an organization EXCEPT:
Select correct option:
Financial stability
Ease of entry into the market
Geographic and product freedom
Control over suppliers

Question # 3 of 15 (Start time: 08:50:40 PM) Total Marks: 1
The strategy embraced by Ahmad Bros. is to address the needs of a very selected and specialized market segment. That is most likely to engage in which one of the following types of strategy?
Select correct option:
Differentiation strategy
Generic strategy

Focus strategy
Low cost strategy

Question # 4 of 15 (Start time: 08:51:22 PM) Total Marks: 1
Ethnic balance is affected due to which of the following?
Select correct option:
Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

Question # 5 of 15 (Start time: 08:51:56 PM) Total Marks: 1
All of the following are examples of marketing decisions that require policies EXCEPT:
Select correct option:
To be a market leader or follower
Whether to advertise online or not
Either to offer a complete or limited warranty
To use billboards for outdoor advertising

Question # 6 of 15 (Start time: 08:52:35 PM) Total Marks: 1
A system of several rites connected with a single occasion or event is known as:
Select correct option:
Myth
Ceremonial
Saga
Legend

Question # 7 of 15 (Start time: 08:53:04 PM) Total Marks: 1
Test marketing is commonly applied by which of the following companies?
Select correct option:
Industrial goods companies
Consumer goods companies
Public sector companies
Private sector companies

Question # 8 of 15 (Start time: 08:53:44 PM) Total Marks: 1
Business units that have low market share and are operating in slow-growing industry should choose all of the following EXCEPT:
Select correct option:
Distribution efficiency
Production efficiency
New investments
Product innovation

Question # 9 of 15 (Start time: 08:54:12 PM) Total Marks: 1
The purpose of an external audit is to prepare a list of which of the following?
Select correct option:

Opportunities and weaknesses
Threats and strengths
Opportunities and threats
Strengths and weaknesses

Question # 10 of 15 (Start time: 08:54:50 PM) Total Marks: 1
What strategies are appropriate for the divisions that fall in grow and build region of IE matrix?
Select correct option:
Defensive and integrative strategies
Intensive and integrative strategies
Diversification and intensive strategies
Defensive and diversification strategies

Question # 11 of 15 (Start time: 08:55:44 PM) Total Marks: 1
Adding new, unrelated products or services is called:
Select correct option:
Forward integration
Backward integration
Conglomerate diversification
Concentric diversification

Question # 12 of 15 (Start time: 08:56:24 PM) Total Marks: 1
Which one of the following is the organizational structure that most of the medium-size organizations follow?
Select correct option:
Divisional structure
Strategic business unit
Functional structure
Matrix structure

Question # 13 of 15 (Start time: 08:57:07 PM) Total Marks: 1
Which of the following is the first step in the controlling function of management?
Select correct option:
Take corrective actions
Restrict breaks employees take
Evaluate expense reports
Establish performance standards

Question # 14 of 15 (Start time: 08:57:55 PM) Total Marks: 1
Which of the following factors can predict the stability or non-stability of the environment, the firm is operating in?
Select correct option:
Rate of inflation
Ease of exit from market
Customer loyalty
Financial stability

Question # 15 of 15 (Start time: 08:58:33 PM) Total Marks: 1
Which of the followings best describes the Horizontal integration?
Select correct option:
A firm takes over a supplier
A firm takes over a distributor
A firm takes over a competitor
A firm takes over a manufacturer

Question # 1 of 15 (Start time: 09:02:21 PM) Total Marks: 1
Which of these is an attractive strategy for a cash cow division?
Select correct option:
Concentric diversification
Horizontal integration
Conglomerate diversification
Backward integration

Question # 2 of 15 (Start time: 09:03:20 PM) Total Marks: 1
All of the following are the types of cooperative arrangements EXCEPT:
Select correct option:
R&D partnerships
Joint-bidding consortia
Cross-licensing agreements
Diversification

Question # 3 of 15 (Start time: 09:04:34 PM) Total Marks: 1
Which of the following is the first step in developing QSPM?
Select correct option:
Developing a list of the firm's key external and internal factors.
Determining the Attractiveness Scores for each strategy.
Examine the Stage 2 matrices and identify alternative strategies.
Assigning weights to each key external and internal factor.

Question # 4 of 15 (Start time: 09:05:15 PM) Total Marks: 1
The reason to develop QSPM is to evaluate the alternative strategies derived from all of these EXCEPT:
Select correct option:
Grand Strategy Matrix
BCG Matrix
Space Matrix
CPM Matrix

Question # 5 of 15 (Start time: 09:06:14 PM) Total Marks: 1
All of the following situations are conducive to market development EXCEPT:
Select correct option:
When new untapped or unsaturated markets exist
When new channels of distribution are expensive
When an organization has excess production capacity

When an organization’s basic industry is becoming rapidly global

Question # 6 of 15 (Start time: 09:06:58 PM) Total Marks: 1
All of the following are the examples of promotion decision EXCEPT:
Select correct option:
Personal selling
Volume discounts
Public relations
Advertising

Question # 7 of 15 (Start time: 09:08:03 PM) Total Marks: 1
Which strategy seeks to increase market share of present products or services in present markets through greater marketing efforts?
Select correct option:
Market penetration
Market development
Backward integration
Product development

Question # 8 of 15 (Start time: 09:08:33 PM) Total Marks: 1
All of the following would be considered as weaknesses to a business EXCEPT:
Select correct option:
Maturing markets
Limited industry expertise
Brand name
Limited financial resources

Question # 9 of 15 (Start time: 09:09:28 PM) Total Marks: 1
According to Porter, which strategy offers products or services to a small range of customers at the lowest price available on the market?
Select correct option:
Low cost
Best value
Cost focus
Differentiation

Question # 10 of 15 (Start time: 09:10:39 PM) Total Marks: 1
When a merger or acquisition is not desired by both the parties of merger, then it is known as:
Select correct option:
Divestiture
Takeover
Outsourcing
Integration

Question # 11 of 15 (Start time: 09:11:23 PM) Total Marks: 1
What are the four dimensions of a SPACE matrix?
Select correct option:

Environmental stability; Industrial strength; Competitive advantage; Market growth rate
Environmental stability; Industrial strength; Competitive advantage; Financial strength
Industrial strength; Competitive advantage; financial strength; Market share
Environmental stability; Industrial strength; Market growth rate; Market share

Question # 12 of 15 (Start time: 09:11:56 PM) Total Marks: 1
Selling all of a company's assets in parts for their tangible worth is known as:
Select correct option:
Joint venture
Divestiture
Liquidation
Integration

Question # 13 of 15 (Start time: 09:12:35 PM) Total Marks: 1
Market segmentation is especially used in implementing strategies by which of the following firms?
Select correct option:
Small firms
Medium-size firms
Large firms
All of these firms

Question # 14 of 15 (Start time: 09:13:04 PM) Total Marks: 1
When two organizations of about equal size unite to form one enterprise, which of the following takes place?
Select correct option:
Hostile takeover
Merger
Liquidation
Divestiture

Question # 15 of 15 (Start time: 09:13:50 PM) Total Marks: 1
Which of the following strategy generally entails large research and development expenditures?
Select correct option:
Market penetration
Retrenchment
Forward integration
Product development

-

Question # 1 of 15 (Start time: 09:23:55 PM) Total Marks: 1
Which one of the following is NOT a SMART criterion?
Select correct option:

Measurable
Strategy
Achievable
Relevant

Question # 2 of 15 (Start time: 09:25:01 PM) Total Marks: 1
External forces directly affects all of the following EXCEPT:
Select correct option:

Market segmentation strategies
Types of products/services offered
Management structure of organization
Choice of businesses to acquire or sell

Question # 3 of 15 (Start time: 09:26:06 PM) Total Marks: 1
Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

Question # 5 of 15 (Start time: 09:27:47 PM) Total Marks: 1
All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:
Select correct option:

Tax rates
Trust in government
Pak-India relationships
Patent laws

Question # 6 of 15 (Start time: 09:28:47 PM) Total Marks: 1
Which of the following is NOT a SPACE Matrix quadrant?
Select correct option:

Aggressive
Defensive
Competitive
Offensive

Question # 7 of 15 (Start time: 09:29:19 PM) Total Marks: 1
The IE Matrix consists of how many cells?
Select correct option:

Seven
Eight

Nine
Ten

Question # 8 of 15 (Start time: 09:29:53 PM) Total Marks: 1
Majority of the businesses follow which of the following organizational structure?
Select correct option:

Strategic business unit
Functional structure
Divisional structure
Matrix structure

Question # 9 of 15 (Start time: 09:30:57 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 10 of 15 (Start time: 09:31:46 PM) Total Marks: 1
Marketing decisions generally fall into four controllable categories. Which one of the following is NOT one of marketing decisions category?
Select correct option:

Product
Process
Distribution
Promotion

Question # 11 of 15 (Start time: 09:32:22 PM) Total Marks: 1
Input stage of strategy formulation framework includes developing which of the following set of strategies?
Select correct option:

IFE, EFE and QSPM Matrix
IFE, IE and BCG Matrix
IFE, CPM and EFE Matrix
EFE, IE and CPM Matrix

Question # 12 of 15 (Start time: 09:33:22 PM) Total Marks: 1
Which of the following is best identified as a statement that presents “a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive”?
Select correct option:

Corporate philosophy statement
Company creed
Vision statement
Mission statement

Question # 13 of 15 (Start time: 09:34:02 PM) Total Marks: 1
All of the following fall under Pricing decisions EXCEPT:
Select correct option:

Discounts
Credit terms
Markups
Dealer relations

Question # 14 of 15 (Start time: 09:34:32 PM) Total Marks: 1
According to the Grand Strategy Matrix, in which quadrant organizations have a strong competitive position but are in a slow-growth industry?
Select correct option:

I
II
III
IV

Question # 15 of 15 (Start time: 09:35:00 PM) Total Marks: 1
All of the following are functional support roles of Management Information System EXCEPT:
Select correct option:

Recording and storing accounting records
Recording and storing inventory data
Recording and storing business intelligence data
The enhanced ability to explore "what if"

Question # 1 of 15 (Start time: 11:22:48 PM) Total Marks: 1
In BCG growth-share matrix, which of the following would be most likely to possess a low market share and a high growth rate?
Select correct option:

Dog
Question mark
Cash cow
Star

Question # 2 of 15 (Start time: 11:23:42 PM) Total Marks: 1
Which one of the following strategies is referred as presenting products, often

with a little or no modification, to customers in related marketing areas?
Select correct option:

Market development
Market penetration
Horizontal integration
Product development

Question # 3 of 15 (Start time: 11:24:47 PM) Total Marks: 1
Which of the following was NOT included in Borden's marketing mix?
Select correct option:

Product planning
Display
Styling
Physical handling

Question # 4 of 15 (Start time: 11:25:58 PM) Total Marks: 1
Product development involves going in the direction of which one of the following?
Select correct option:

Present products to present markets
Present products to new markets
New products to present markets
New products to new markets

Question # 5 of 15 (Start time: 11:26:28 PM) Total Marks: 1
Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company’s future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Question # 6 of 15 (Start time: 11:27:00 PM) Total Marks: 1
Which of the following directs at developing new products before competitors do at improving product quality or at improving manufacturing processes to reduce costs?
Select correct option:

Marketing
Opportunity analysis
Research and development
Management

Question # 7 of 15 (Start time: 11:27:57 PM) Total Marks: 1

The reason to develop QSPM is to evaluate the alternative strategies derived from all of these EXCEPT:
Select correct option:

Grand Strategy Matrix
BCG Matrix
Space Matrix
CPM Matrix

Question # 8 of 15 (Start time: 11:28:11 PM) Total Marks: 1
Which of these strategies is effective when the number of suppliers is small and the number of competitors is large?
Select correct option:

Conglomerate diversification
Forward integration
Backward integration
Horizontal diversification

Question # 9 of 15 (Start time: 11:28:56 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 10 of 15 (Start time: 11:29:08 PM) Total Marks: 1
Defensive strategies include all of the following EXCEPT:
Select correct option:

Retrenchment
Acquisition
Divestiture
Liquidation

Question # 11 of 15 (Start time: 11:29:34 PM) Total Marks: 1
In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?
Select correct option:

SO Strategy
WO Strategy
SW Strategy

ST Strategy

Question # 12 of 15 (Start time: 11:30:10 PM) Total Marks: 1
Identify the term that is known as a “mean of providing guidance to actions and procedures, including how resources are to be allocated and how tasks assigned to the organization might be accomplished”.
Select correct option:

Aspirations
Objectives
Policies
Goals

Question # 13 of 15 (Start time: 11:31:19 PM) Total Marks: 1
Which one of the following is NOT a SMART criterion?
Select correct option:

Measurable
Strategy
Achievable
Relevant

Question # 14 of 15 (Start time: 11:31:29 PM) Total Marks: 1
Which of the following is the last step in the development of QSPM?
Select correct option:

Developing a list of the firm’s key external and internal factors
Determining the Attractiveness Scores for each strategy
Compute the Sum Total Attractiveness Score
Assigning weights to each key external and internal factor

Question # 15 of 15 (Start time: 11:32:45 PM) Total Marks: 1
Which of the following categories of ratios includes return on total assets and return on stockholders’ equity as its types?
Select correct option:

Profitability
Leverage
Growth
Liquidity

-

Question # 1 of 15 (Start time: 11:46:29 PM) Total Marks: 1
In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?

Select correct option:

SO Strategy
WO Strategy
SW Strategy
ST Strategy

Question # 2 of 15 (Start time: 11:46:50 PM) Total Marks: 1
Which of the following refers to Kanban?
Select correct option:

Manufacturing system
Production unit
Signals
Process

Question # 3 of 15 (Start time: 11:47:40 PM) Total Marks: 1
Buyers can exercise high bargaining power over their suppliers under which one of the following conditions?
Select correct option:

When there are many good substitutes of raw material
There are few buyers in the market
They have few suppliers to choose from
There is a high concentration of suppliers

Question # 4 of 15 (Start time: 11:49:04 PM) Total Marks: 1
Selling all of a company's assets in parts for their tangible worth is known as:
Select correct option:

Joint venture
Divestiture
Liquidation
Integration

Question # 5 of 15 (Start time: 11:49:36 PM) Total Marks: 1
The organizations, where resource allocation is not based on strategic-management approach to decision making, which approach is used for resource allocation?
Select correct option:

Financial budget
Relative importance of departments
On political or personal factors
Relative cost of each resources

Question # 6 of 15 (Start time: 11:50:18 PM) Total Marks: 1
Where an organization is considering development in an existing market with

existing products it is pursuing which of the following strategy?
Select correct option:

Diversification
Market development
Market penetration
Product development

Question # 7 of 15 (Start time: 11:50:49 PM) Total Marks: 1
Non-financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Better awareness of external threats
Enhanced awareness of threats
Reduced resistance to change
Increase in sales

Question # 8 of 15 (Start time: 11:51:29 PM) Total Marks: 1
Which of the following are two positive-rated dimensions on SPACE Matrix?
Select correct option:

FS and CA
CA and ES
FS and IS
IS and ES

Question # 9 of 15 (Start time: 11:52:06 PM) Total Marks: 1
Marketing decisions generally fall into four controllable categories. Which one of the following is NOT one of marketing decisions category?
Select correct option:

Product
Process
Distribution
Promotion

Question # 10 of 15 (Start time: 11:52:22 PM) Total Marks: 1
A firm that is involved in two or more distinct businesses is known as:
Select correct option:

A diversified company
A ventured company
A restructured company
A multinational corporation

Question # 11 of 15 (Start time: 11:53:37 PM) Total Marks: 1
Which one of the following is the organizational structure that most of the

medium-size organizations follow?
Select correct option:

Divisional structure
Strategic business unit
Functional structure
Matrix structure

Question # 12 of 15 (Start time: 11:53:53 PM) Total Marks: 1
The total weighted score of IFE matrix developed for XYZ corporation is 3.5. Which of the following statement is TRUE about XYZ Corporation in the light of IFE matrix total weighted score?
Select correct option:

Corporation has strong external position
Corporation has weak internal position
Corporation has strong internal position
Corporation has weak external position

Question # 13 of 15 (Start time: 11:55:13 PM) Total Marks: 1
Local, state, and national elections, world oil, currency, and labor markets, number of patents, special tariffs are the examples of which one of the following?
Select correct option:

Economic forces
Social, cultural and, demographic forces
Political, governmental, and legal forces
Competitive forces

Question # 14 of 15 (Start time: 11:55:58 PM) Total Marks: 1
BCG matrix is used in matching stage of strategy formulation framework. It plots the business units along which of the following dimensions?
Select correct option:

Market share and industry strength
Market share and market growth rate
Market growth rate and competitive position
Market growth rate and environment stability

Question # 15 of 15 (Start time: 11:57:20 PM) Total Marks: 1
Ethnic balance is affected due to which of the following?
Select correct option:

Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

1. Which one of the following is NOT a basic mission of a competitive intelligence program?

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

2. Which one of the following dimensions is NOT a recommended component of a mission statement?

Self-concept
Markets
Strategies
Customers

3. Which strategic management analytical tool has four quadrants based on two dimensions i.e. competitive position and market growth?

Internal-External Matrix
SPACE Matrix
Grand Strategy Matrix 107

QSPM

4. In BCG matrix, the size of circle corresponding to a division represents what?

Relative market share of that division
Financial strength of that division
Revenue genet rated by that division
Relative market share of the division

5. Which of the following refers to the belief related to objectives setting that "there is no general plan for which way to go and what to do"?

Managing by crisis
Managing by extrapolation
Managing by hope
Managing by subjective 79

6. What is the range for a firm's total weighted score in an External Factor Evaluation Matrix?

0 to 5

0 to 4

1 to 5

1 to 4

Total weighted score for the organization, Highest possible weighted score for the organization is 4.0; the lowest, 1.0. Average = 2.5

7. Which stage of the "Strategy Formulation Framework" includes an External Factor Evaluation Matrix and a Competitive Profile Matrix?

Input stage

Output stage

Matching stage

Decision stage

8. All of the following would be considered as weaknesses to a business EXCEPT:

Maturing markets

Limited industry expertise

Brand name

Limited financial resources

9. All of the specified approaches could be used to determine R&D budget allocation EXCEPT:

Financing as many projects as possible
Using percentage-of-sales method
Budgeting irrelative to competitors
Deciding how many successful new products are needed

10. The IE Matrix consists of how many cells?

Seven
Eight
Nine
Ten

11. Which of the following term represents the enduring statement of purpose that distinguish one business from other similar firms?

Vision
Strategy
Mission
Tactics

12. All of the following are the managerial issues for managing natural environment EXCEPT:

Global warming- depletion of rain forests

Employee understanding about environment

Developing biodegradable products and packages

Waste management to clean air and water

13. What is the most complex form of organizational structure?

Divisional

Strategic business unit

Matrix 120

Functional

14. All of the following are the broad categories of External forces EXCEPT:

Economic forces

Socioeconomic forces

Technological forces

Competitive forces

15. Where an organization is considering development in an existing market with existing products it is pursuing which of the following strategy?

Diversification
Market development
Market penetration
Product development

16. Adding new but unrelated products or services for appealing present customers is known as:

Forward integration
Backward integration
Conglomerate diversification
Horizontal diversification **92**

17. Which of the following are developed in strategy implementation phase of strategic management?

Vision and mission
Annual objectives
Strengths and weaknesses
Opportunities and threats

18. What are historical narratives describing the unique accomplishments of a group and its leaders, usually in heroic terms?

Rites

Sagas

Stories

Myths

19. You are asked to prepare the IE Matrix of Roxon Incorporation. Your findings reveal that its Southern division falls in IX cell of IE Matrix. How will you interpret your findings?

It can be managed best with Harvest or divest strategies

It can be managed best with Grow and Build strategies

It can be managed best with Grow and Maintain strategies

It can be managed best with Hold and Maintain strategies

20. Which of these is an attractive strategy for a cash cow division?

Concentric diversification

Horizontal integration

Conglomerate diversification

Backward integration

http://docs.google.com/viewer?a=v&q=cache:XWCVKQDx6j8J:shc-staffweb.hct.ac.ae/skhartabil/Skhartabil/TEACHING%2520RESOURCES/STRATEGIC%2520MANAGEMENT/Exams/chapter06.doc+Concentric+diversification+is+an+attractive+strategy+for+a+cash+cow+division&hl=en&gl=pk&pid=bl&srcid=ADGEEShbqCgYlAukGQyeRsHK1oe-M7Lt5bPVFONiL97NJvGSgivkn8SAO_ib8br06MNM4hfcMc0gI9OUB8RLITaMAbZ9VnNuf2kUBJNfhcSm2bWOKQjo1QCC1-0DgQRONQBTULbEqHhI&sig=AHIEtbRwRT5cuBsq8vlEZYldZXfwbXnHxQ

21. All of the following would be considered while judging the financial strength of an organization EXCEPT:

Increase in revenues

Market share

Return on Investment

Cash-flow statement

22. In which of the following phase of strategic management, annual objectives are especially important?

Formulation

Evaluation

Implementation

Management

23. Re-engineering process innovation which involves all EXCEPT:

Improvement in quality

Improvement of divisions

Improvement in service

Improvement of speed

Reengineering is the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical contemporary measures of performance such as cost, **quality, service and speed.**

24. Which one of the following leads to only allowing the other to "win" the conflict?

High concern for the other party's outcomes

High concern for one's own and other party's outcomes

High concern for one's own outcomes

No concern for either side's outcomes

25. Which of the following is the best example for achieving long-term objectives?

Strengths

Strategies

Policies

Opportunities

26. Which organizational structure has ambiguous roles for senior executives as a major disadvantage?

Strategic business unit

Functional structure

Divisional structure

Matrix structure

27. "The company is growing but is unable to compete effectively, and needs to determine why the firm's current approach is ineffective." According to Grand strategy matrix, this statement is true for a company falling in which quadrant.

I

II

III

IV

http://docs.google.com/viewer?a=v&q=cache:XWCVKQDx6j8J:shc-staffweb.hct.ac.ae/skhartabil/Skhartabil/TEACHING%2520RESOURCES/STRATEGIC%2520MANAGEMENT/Exams/chapter06.doc+The+company+is+growing+but+is+unable+to+compete+effectively,+and+needs+to+determine+why+the+firm%E2%80%99s+current+approach+is+ineffective&hl=en&gl=pk&pid=bl&srcid=ADGEEShbqCgYlAukGQyeRsHK1oe-M7Lt5bPVFONiL97NJvGSgivkn8SAO_ib8br06MNM4hfcMc0gI9OUB8RLITaMAbZ9VnNuf2kUBJNfhcSm2bWOKQjo1QCC1-0DgQRONQBTULbEqHhI&sig=AHIEtbTkaz_V0COSff68EVmb58KquvE9sA

28. Market segmentation is especially used in implementing strategies by which of the following firms?

Small firms

Medium-size firms

Large firms

All of these firms

29. Which of the following are two positive-rated dimensions on SPACE Matrix?

FS and CA

CA and ES

FS and IS

IS and ES

30. Which of these is not one of the tests used to determine whether a performance-pay plan will benefit an organization?

Do employees understand the plan?

Is the plan improving communications?

Does the plan pay out when it should?

Does the plan reduce management layers?

31. Marketing decisions generally fall into four controllable categories. Which one of the following is NOT one of marketing decisions category?

Product

Process

Distribution

Promotion

32. Reasons due to which some firms do "No Strategic Planning" incorporate all of the following EXCEPT:

Wastage of time

Fire-fighting

Content with success

Privileged reward structures

33. All of the following would be considered as opportunities for a business, EXCEPT:

Removal of international trade barriers

Emergence of unfulfilled customer need

Emergence of substitute products

Loosening of regulations

34. Which of the following statement applies to Vision Statement?

Describes the purpose of existence of an organization

Identify the customers of the organization

The key measure or measures of the organization's success

Depict the values of an organization

35. Ethnic balance is affected due to which of the following?

Change in ethnic values

Awareness of ethnic norms

Migration of the people towards different areas

Introduction of new laws relating to ethnicity

36. Which of the following strategy should be perused first by the Irtiza Insurance Company as it is located in Quadrant III of the Grand Strategy Matrix?

Diversification

Liquidation

Retrenchment

Divestiture

37. All of the following are functional support roles of Management Information System EXCEPT:

Recording and storing accounting records

Recording and storing inventory data

Recording and storing business intelligence data

The enhanced ability to explore "what if"

38. All of the following are the types of Profitability ratios EXCEPT:

Net profit margin

Inventory turnover 65

Return on total assets

Earnings per share

39. Which one of the following is NOT a basic mission of a competitive intelligence program?

To provide a general understanding of an industry

To provide a general understanding of a company's competitors

To identify industry executives who could be hired by the firm

To identify potential moves a competitor might make that would endanger a firm

40. The inventory is viewed as which of the following in Just In Time Inventory system:

Incurring costs 127

Adding value

Disburse expense

None of the above options

41. "Focusing all marketing decisions on a very specific group of people which a business wants to reach" is known as:

Target marketing
Segmentation
Mass marketing
Positioning

42. Opportunity analysis is one of the basic functions of which one of the following?

Computer information systems
Marketing
Production/operations
Research and development

43. Technological advancements can create which of the following advantage besides many other existing powerful advantages for the businesses?

Economic
Competitive
Social
Environmental

44. The mission statement answers which of the following question?

What is our business?

How can we improve ourselves?

What do we want to become?

Who are our stakeholders?

45. Restructuring is also known as:

Up-sizing

Delayering

Diversifying

Integrating

46. Assigning a rate=2 in IFE matrix indicates what?

A major weakness

A minor weakness

A minor strength

A major strength

47. When both divestiture and retrenchment have been pursued unsuccessfully, which of the following strategies is effective to pursue?

Forward integration

Liquidation

Merger

Takeover

48. Rehman industries is 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?

Strategy formulation

Strategy implementation

Strategy evaluation

All of the given options

49. Which of the following are Porter's generic strategies?

Low price, differentiation, focus

Cost leadership, differentiation, focus **78**

Price leadership, differentiation, focus

Low cost, differentiation, focus differentiation

51. All of the following are used as a base for market segmentation EXCEPT:

Socioeconomic

Geographic

Demographic

Psychographic

52. What kind of strategy retrenchment is?

A reorganization strategy 93

An expansion strategy

A diversification strategy

An integration strategy

53. Firms located in which quadrant of the Grand Strategy Matrix are in an excellent strategic position?

I

II

III

IV

54. Which of the following environment includes all those factors which affect the organization and itself affected by the organization?

External environment

Social environment

Task environment

Internal environment

55. All of the following fall under the category of "Process" function of production management EXCEPT:

Choice of technology

Quality assurance

Process flow analysis

Transportation analysis

56. Which one of the following is NOT a key external force?

Social responsibility

Ozone reduction

Company management

Energy conservation

57. Firm with its SPACE matrix vector in conservative quadrant may peruse all of the following strategies EXCEPT:

Market penetration

Product development

Market development

Divestiture

58. "A desired future state that the organization attempts to realize". Identify the term relevant to the given statement.

Goal

Strategy

Policy

Procedure

59. ABC Company is competing in an industry where the growth rate of that industry from year to year has reached or is close to zero, ABC is operating in which industry?

Growing industry

Emerging industry

Mature industry

Declining industry

60. The mission statement answers which of the following question?

What is our business?

How can we improve ourselves?

What do we want to become?

Who are our stakeholders?

61. Which of the following groups represents the stakeholders of a company?

The owners of the company

The people who purchases the shares of the company

The people who have a special stake or claim on the company

Are the people who are in the management a company

62. Identify the stages of strategic management process in a precise sequence.

Strategy evaluation, strategy formulation & strategy implementation

Strategy evaluation, strategy implementation & strategy formulation

Strategy formulation, strategy implementation & strategy evaluation

Strategy implementation, strategy evaluation & strategy formulation

63. Strategic management integrates all of the following areas EXCEPT:

Management

Marketing

Research and development

Human resource management p;2

64. Which of the followings deals with the management of inputs, transformations and outputs that vary across industries and markets

Marketing

Finance

Operations

Distribution

65. SPACE matrix stands for:

Strategic position and action evaluation matrix

Strategic power and commerce evaluation matrix

Strategy performance and activity evaluation matrix

Strategy position and competitiveness evaluation matrix

66. Which of the following stages of strategy formulation framework involves developing Internal-External (IE) Matrix?

Input stage

Output stage

Matching stage

Decision stage

67. The strategy embraced by Ahmad Bros. is to address the needs of a very selected and specialized market segment. That is most likely to engage in which one of the following types of strategy?

Differentiation strategy

Generic strategy

Focus strategy

Low cost strategy

68. Internal analysis involves gathering and analyzing the information about all areas of a firm EXPECT:

Research nad development

Management information system

Marketing

Competitors

69. When an industry relies heavily on government contracts, which of the following is important for the firm to foresee as a part of its external audit?

Economic forces

Political forces

Technological forces

Competitive forces

70. Which of the following is the first step in the controlling function of management?

Take corrective actions

Restrict breaks employees take

Evaluate expense reports

Establish performance standards

71. Which of the following is not a key question that can reveal internal strengths and weaknesses of the marketing department?

Does the firm have an effective sales organization?

Are markets segmented effectively?

Are the firm's products and services priced appropriately?

Does the firm have good liquidity?

MC090206610 : Muhammad Asim Ayub

72. Assessment of competitive rivalry does NOT include an understanding of which of the following?

Mergers and acquisition in industry

Market growth rates

Exit barriers and operational efficiency of competitor

The management structure of an organization

73. All of the following would represent possible threats to the ABC Company EXCEPT which one of the following?

Entrance of new competitors

Improved buyer or supplier relationships

New or revised regulations

Slow industry/market growth

74. Which of the following is the decision support role of management information system?

Processing marketing records into marketing plans

Allowing users to ask "What if" questions

Recording and storing such human resource records

Processing operations records into production schedules

75. Which of the following is the process of influencing people to accomplish specific objectives?

Staffing

Motivating

Controlling

Organizing

76. Which of the following stages of "Strategy Formulation Framework" involves developing Internal-Factor Evaluation Matrix?

Input stage

Output stage

Matching stage

Decision stage

77. All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:

Tax rates

Trust in government

Pak-India relationships

Patent laws

78. Swan Shoes is a company that specializes in manufacturing stylish shoes. Its managers are trying to answer such questions as: What is the current situation of the company? Swan Shoes is most likely to conduct which one of the following?

WS analysis

TOWS analysis

WT analysis

OS analysis

79. Which stage of the strategy-formulation framework focuses on generating feasible alternative strategies?

Input

Output

Decision

Matching

80. Non-financial benefits of strategic management include all of the following EXCEPT:

Better awareness of external threats

Enhanced awareness of threats

Reduced resistance to change

Increase in sales

81. Matching stage of the strategy formulation framework comprises of formulating which of the following set of strategies?

BCG, SPACE and QSPM Matrix
BCG, SPACE and TOWS Matrix
SPACE, TOWS and IFE Matrix
BCG, SPACE and EFE Matrix

82. Buyers can exercise high bargaining power over their suppliers under which one of the following conditions?

When there are many good substitutes of raw material
There are few buyers in the market
They have few suppliers to choose from
There is a high concentration of suppliers

83. Which of the following is not a strategy-implementation activity?

Long term goals and objectives
Developing strategy supportive culture
Redirecting marketing efforts
Developing and utilizing information system

84. In adapting to change an organization must monitor which of the following?

Ongoing processes
Internal and external events
Timely changes
All of the given options

85. Lack of access to key distribution channel indicates which of the following?

Strength
Weakness
Opportunity
Threat

86. The SMART goal criteria 'Relevant' suggests which one of the following?

Are you able to assess your progress?
Do you know exactly what you want to accomplish?
Is your goal relevant towards your purpose in life?
What is the deadline for completing your goal?

87. Firms in quadrant-IV of grand strategy matrix have which of the following characteristics?

Rapid market growth and strong competitive position
Rapid market growth and weak competitive position
Slow market growth and strong competitive position
Slow market growth and weak competitive position

88. Which of the following is the last step in the development of QSPM?

Developing a list of the firm's key external and internal factors
Determining the Attractiveness Scores for each strategy
Compute the Sum Total Attractiveness Score
Assigning weights to each key external and internal factor

89. In the SPACE analysis, what does (+7, -6) coordinates depict?

A firm operating in a strong industry with an unstable environment
A firm operating in a strong industry with a stable environment
A highly competitive firm operating in an unstable environment
A financially strong firm operating in an unstable environment

90. Which of the following is NOT one of the major approaches to R&D?

To be the first firm to market new technological products

To be an innovative imitator of successful products

To be a low-cost producer by mass-producing products

To be a differentiated products manufacturer in industry

91. Which of the following categories of ratios includes return on total assets and return on stockholders' equity as its types?

Profitability

Leverage

Growth

Liquidity

92. All of the following fall under the category of "Process" function of production management EXCEPT:

Choice of technology

Quality assurance

Process flow analysis

Transportation analysis

93. On the x-axis of IE Matrix, an IFE total weighted score of 1.50 depicts what?

A weak internal position

An average internal position

A strong internal position

A low internal position

94. Strategy formulation techniques can be integrated into how many stages of decision making framework?

Two

Three

Four

Five

95. Which of the following is NOT included in SWOT Matrix?

Matching strengths and threats

Matching weaknesses and threats

Matching weaknesses and opportunities

Matching weaknesses and strengths

96. Which analytical tool consists of a nine-cell matrix?

Competitive Profile Matrix

SPACE Matrix

Grand Strategy Matrix

Internal-External Matrix

97. Internal analysis involves gathering and analyzing the information about all areas of a firm EXPECT:

Research nad development

Management information system

Marketing

Competitors

98. If market shares of competitors are declining whereas total industry sales are increasing, which strategy do you think may be the right one to pursue?

Divestiture

Market Penetration

Market Development

Retrenchment

99. Which of the following is an example of Intensive strategies?

Conglomerate strategy

Forward integration

Market penetration

Retrenchment

Market penetration, market development, and product development

100. Which of the following are the guidelines of decision making?

Laws

Rules

Policies

Goals

101. All of the following are included in the five functions of the management process EXCEPT:

Planning

Organizing

Leading

Delegating

102. While preparing an External Factor Evaluation matrix, a total score of 0.8 indicates what?

Firm is taking advantages of strengths and avoiding threats

Firm is not taking advantages of opportunities and is avoiding threats

Firm is not taking advantages of opportunities and is not avoiding threats

Firm is taking advantage of opportunities and is avoiding the threats

103. All of the following fall under Pricing decisions EXCEPT:

Discounts

Credit terms

Markups

Dealer relations

104. Which of these basic questions a vision statement answers?

What is our business?

Who are our employees?

What do we want to become?

Who are our competitors?

105. The external environmental trends and events that could significantly harm an organization in the future may be known as:

Strengths

Weaknesses

Opportunities

Threats

106. Internal strengths and weaknesses that can significantly benefit or harm an organization may include all of the following EXCEPT:

Production/ operations

Research & development

E-commerce

Management information system

107. Which matrix is included in the decision stage of the strategy formulation framework?

IE Matrix

QSPM Matrix

BCG Matrix

SPACE Matrix

Stage-3 (Decision stage)

1. QSPM (Quantitative Strategic Planning Matrix)

108. External forces directly affect all of the following EXCEPT:

Market segmentation strategies

Types of products/services offered

Management structure of organization

Choice of businesses to acquire or sell

External forces affect the types of products developed, the nature of positioning and market segmentation strategies, the types of services offered, and the choice of businesses to acquire or sell.External forces directly affect both suppliers and distributors.

109. All of the following are the basic functions of marketing EXCEPT:

Selling products/services

Product and service planning

Marketing research

Arranging for finance

110. Which of the following marketing entity is NOT an intermediary?

Brokers

Agents

Producer

Vendors

111. Which of the following is NOT a SPACE Matrix quadrant?

Aggressive

Defensive

Competitive

Offensive

112. XYZ Company has controlled its distributors so that no other firm can access the scarce natural resources available in the country, which are used in XYZ's production. This action is to reduce which of the following:

The bargaining power of customers

The bargaining power of suppliers

The threat of new entrants

The threat of substitute products

113. Financial ratios are helpful in analyzing the relationship among which of the following?

All assets and liabilities

Profits and costs

All functional areas of business

Sales and profitability

114. Most likely, what was the cash cow in the past?

Dog

Failure

Question mark

Star

115. Which of the following directs at developing new products before competitors do at improving product quality or at improving manufacturing processes to reduce costs?

Marketing

Opportunity analysis

Research and development

Management

116. All of the following are Porter's Generic Strategies EXCEPT:

Differentiation

Hybrid

Cost leadership

Focus

117. Which one of the following is not an approach to resolve conflicts?

Avoidance

Diffusion

Confrontation

Ignorance

118. Firms located in which quadrant of the Grand Strategy Matrix are in an excellent strategic position?

I

II

III

IV

119. All of the following are the examples of promotion decision EXCEPT:

Personal selling

Volume discounts

Public relations

Advertising

120. Which of the following is NOT a Corporate level objective?

Achieving return on investment of at least 15%

Aiming to achieve a market share of 10%

Attaining operating profit of over Rs.10 million

Increase earnings per share by at least 10% every year

121. Which of the followings best describes the Horizontal integration?

A firm takes over a supplier

A firm takes over a distributor

A firm takes over a competitor

A firm takes over a manufacturer

122. Which of the following is NOT a part of resource allocation plan?

Basic allocation decision

Contingency mechanisms

Primary allocation mechanism

None of the given options

123. ABC firm is facing high production costs in Pakistan due to expensive raw material. The firm is formulating a strategy of capturing European market because of low priced raw material and high demand of their products in Europe. Keeping in view the mentioned situation which of the following strategies ABC firm must pursue?

WO Strategy
SW Strategy
ST Strategy
WT Strategy

124. Long-term objectives are needed at which level(s) of the organization?

Corporate level
Divisional level
Functional level
All of the given options

125. Which of the following is the first step in the controlling function of management?

Take corrective actions
Restrict breaks employees take
Evaluate expense reports
Establish performance standards

126. Choose the economic variable from the list.

Attitudes toward business

Attitudes toward product quality

Population changes by race

Stock market trends

127. Which of the following stages of "Strategy Formulation Framework" involves developing Internal-Factor Evaluation Matrix?

Input stage

Output stage

Matching stage

Decision stage

128. Various job titles of a strategist may includes all of the following EXCEPT:

Owner

Foreman

Chancellor

Chief executive officer

129. All of the following tasks are performed by R&D employees and managers EXCEPT:

Transferring complex technology
Adapting processes to local markets
Adjusting process to local raw materials
Make sure the availability of resource

130. Buyers can exercise high bargaining power over their suppliers under which one of the following conditions?

When there are many good substitutes of raw material
There are few buyers in the market
They have few suppliers to choose from
There is a high concentration of suppliers

131. According to Freund, Which one of the following should NOT be the characteristics of key external factors?

Measurable
Relatively few in number
Applicable to all competing firms
Important to achieve long-term objectives

132. Corporate social policy should be designed and articulated during which phase of strategic management?

Implementation

Formulation

Evaluation

Management

133. Which of the following groups represents the stakeholders of a company?

The owners of the company

The people who purchases the shares of the company

The people who have a special stake or claim on the company

Are the people who are in the management a company?

134. All of the following are the types of cooperative arrangements EXCEPT:

R&D partnerships

Joint-bidding consortia

Cross-licensing agreements

Diversification

Other types of cooperative arrangements include research and development partnerships, cross-distribution agreements, cross-licensing agreements, cross-manufacturing agreements, and joint-bidding consortia.

135. Which of the following is NOT a characteristic of well-constructed goals?

Address important issues

Easy to remember

Precise and measurable

Challenging but realistic

MC090206610: Muhammad Asim Ayub

136. When the firm is located in Quadrant I of grand strategy matrix and it has excessive resources, it is effective to peruse what strategies?

Diversification strategies

Intensive strategies

Integration strategies

Defensive strategies

137. The last remedy for Quadrant II firm is to follow which strategy?

Horizontal integration

Market development

Forward integration

Divestiture

138. Defensive strategies include all of the following EXCEPT:

Retrenchment

Acquisition

Divestiture

Liquidation

139. Marketing decisions generally fall into four controllable categories. Which one of the following is NOT one of marketing decisions category?

Product

Process

Distribution

Promotion

140. Which of the following statement is NOT true about Employee stock ownership plan?

These corporations are owned in whole or in part by their employees

Their employees can buy shares at any time or after a certain length of employment

Their shares are traded on public stock market

The profits of these corporations are shared with their employees

141. Which one variable falls under the category of the Social, Cultural, Demographic, and Environmental Variable

Propensity of people to spend

Buying habits

Level of disposable income

Income differences by region

142. R & D expertise should be obtained through acquisition of a well-established in the industry in which of the following situation:

Technological progress is slow and market growth is moderate

Technology is changing rapidly and market is growing slowly

If technology is changing slowly and market is growing quickly

If both, technological progress and market growth rate are fast

143. Which one of the following is NOT among the Michael Porter's forces?

The bargaining power of customers

The bargaining power of suppliers

The intensity of differentiation strategy

The threat of substitute products

144. Which marketing function includes test marketing?

Selling products/services

Customer analysis

Product/service planning

Distributing

145. In the process of developing a mission statement, which of the following is CORRECT?

To involve as few managers as possible

To involve as many managers as possible

To involve upper-level management only

To involve the board of directors only

146. What type of strategies would you recommend when a firm's SPACE Matrix directional vector has coordinates (-2, +3)?

Aggressive

Conservative

Competitive

Defensive

147. Which cell of the SWOT Matrix involves matching internal strengths with external opportunities?

The WT cell

The SW cell

The ST cell

The SO cell

Match internal strengths with external opportunities and mention the result in the SO Strategies cell.

148. Which group would be classified as a stakeholder?

Communities

Banks

Suppliers

All of the given options

149. Which of the following depicts the signs of strength of a company's competitive position?

A debt-to-asset ratio below 0.50 and higher EPS

A website with extensive information about the company and its product line

An annual R&D and advertising expenditures greater than $10 million

A strongly differentiated product, a strong or rising market share

150. Strategist is an individual who is involved in the strategic management process thus may be known as:

Member board of director

President

Division manager

All of the given options

151. According to the Grand Strategy Matrix, in which quadrant organizations have a strong competitive position but are in a slow-growth industry?

I

II

III

IV

152. The cross training of employees for getting a better understanding of the whole business can create problems related to following issues EXCEPT:

It can require ample investments in training

Skilled workers may dislike unskilled workers

Older employees may not want to learn new skills

Employees give worse ideas in planning session

153. Local, state, and national elections, world oil, currency, and labor markets, number of patents, special tariffs are the examples of which one of the following?

Economic forces
Social, cultural and, demographic forces
Political, governmental, and legal forces
Competitive forces

154. Establishing and implementing ways of making things work is known as:

Planning
Organizing
Leading
Controlling

155. Din Mohammad, a farmer sells his crops at the local market rather than to a distribution center. This action of Din Mohammad comes under which of the following?

Backward integration
Product development
Forward integration
Horizontal integration

156. Theoretical framework is trying to develop a _____ model of our study.

Functional

Conceptual

Operational

Practical

157. Which of the following are two negative-rated dimensions on SPACE Matrix?

FS and CA

CA and ES

FS and IS

IS and ES

158. Where usage rate of present customers of the company can be increased significantly and the current markets are not saturated, which strategy would be effective for the company to follow?

Market Penetration

Product Development

Market Development

Retrenchment

159. In Competitive Profile Matrix, the rating 4 indicates what?

Major weakness

Major strength

Minor strength

Minor weakness

rating 1 represents major weakness, rating 2 shows minor weakness. Similarly, rating 3 indicates minor strength whereas rating 4 shows major strength. It means that weakness must receive 1 or 2 rating while strength must get 3 or 4 rating.

160. A chance for advancement, progress or profit prevailing in external environment of a company is known as:

Strength

Weakness

Opportunity

Threat

161. When the Chief Executive of a chain of pharmacies decided to sell off or close some of the locations that were not profitable, he was performing which of the management function?

Leading

Planning

Controlling

Organizing

Taking any corrective action is a part of controlling function.

162. Internal analysis involves gathering and analyzing the information about all areas of a firm EXPECT:

Research and development

Management information system

Marketing

Competitors

163. Internal strengths and weaknesses that can significantly benefit or harm an organization may include all of the following EXCEPT:

Production/ operations

Research & development

E-commerce

Management information system

Internal strengths and internal weaknesses are an organization's controllable activities that are performed especially well or poorly. They arise in the management, marketing, finance/accounting, production/operations, research and development, and computer information systems activities of a business. Identifying and evaluating organizational strengths and weaknesses in the functional areas of a business is an essential strategic-management activity.

Organizations strive to pursue strategies that capitalize on internal strengths and improve on internal weaknesses.

164. Strategic management integrates all of the following areas EXCEPT:

Management
Marketing
Research and development
Human resource management

165. Which management function includes breaking tasks into jobs, combining jobs to form departments and delegating authority?

Motivating
Staffing
Organizing
Planning

166. All of the following statements are true about a firm's mission statement EXPECT:

A mission statement does not directly contribute positively to financial performance.
A mission statement directly contributes positively to financial performance.

A mission statement should not provide useful criteria for selecting among alternative strategies.

167. Primary reason to develop a mission statement is not to attract the customers a firm should practice Joint Venture strategy in which of the following cases?

When the SPACE matrix vector lies in defensive quadrant
When the SPACE matrix vector lies in aggressive quadrant
When the SPACE matrix vector lies in conservative quadrant
When the SPACE matrix vector lies in competitive quadrant

168. Assessment of competitive rivalry does NOT include an understanding of which of the following?

Mergers and acquisition in industry
Market growth rates
Exit barriers and operational efficiency of competitor
The management structure of an organization

169. What is the range for a firm's total weighted score in an External Factor Evaluation Matrix?

0 to 5
0 to 4

1 to 5

1 to 4

total weighted score for the organization, Highest possible weighted score for the organization is 4.0; the lowest, 1.0. Average = 2.5

170. All of the following would be considered as opportunities for a business, EXCEPT:

Removal of international trade barriers

Emergence of unfulfilled customer need

Emergence of substitute products

Loosening of regulations

171. A firm's division with a high relative market share position in a low-growth industry can be referred to which of the following category?

Star

Cash cow

Question mark

Dog

172. SPACE matrix stands for:

Strategic position and action evaluation matrix

Strategic power and commerce evaluation matrix

Strategy performance and activity evaluation matrix

Strategy position and competitiveness evaluation matrix

1. TOWS Matrix (Threats-Opportunities-Weaknesses-Strengths)
2. SPACE Matrix (Strategic Position and Action Evaluation)
3. BCG Matrix (Boston Consulting Group)
4. IE Matrix (Internal and external)
5. GS Matrix (Grand Strategy)

173. Long-term objectives are needed at which level(s) of the organization?

Corporate level

Divisional level

Functional level

All of the given options

5. Long term objectives are needed at the corporate, divisional and functional levels of an organization.

174. Strategy formulation techniques can be integrated into how many stages of decision making framework?

Two

Three

Four

Five

Ref: http://mba.zainbooks.com/terms/management/a-comprehensive-strategy-formulation-framework.shtml

175. All of the following situations are conducive to market development EXCEPT:

When new untapped or unsaturated markets exist
When new channels of distribution are expensive
When an organization has excess production capacity
When an organization's basic industry is becoming rapidly global

176. Lack of access to key distribution channel indicates which of the following?

Strength
Weakness
Opportunity
Threat
Ref: http://www.quickmba.com/strategy/swot/

177. ABC firm is facing high production costs in Pakistan due to expensive raw material. The firm is formulating a strategy of capturing European market because of low priced raw material and high demand of their products in Europe. Keeping in view the mentioned situation which of the following strategies ABC firm must pursue?

WO Strategy

SW Strategy

ST Strategy

WT Strategy

Ref: http://www.docstoc.com/docs/23483705/St-Managmentquaiz-and-importand-que

178. Which one of the followings best describes this statement; "The conditions that a company must satisfy in order to be able to enter an industry"?

Economies of scale

Barriers to entry

Differentiation

Competitive environment

Ref: http://highered.mcgraw hill.com/sites/0073054224/student_view0/

179. Which strategy should an organization use if it competes in a no-growth or a slow-growth industry?

Related diversification

Backward integration

Unrelated diversification

Retrenchment

that company's weak competitive situation and slow market growth. The firms fall in this quadrant compete in slow-growth industries and have weak competitive positions. These firms must make some drastic changes quickly to avoid further demise and possible liquidation. Extensive cost and asset reduction (retrenchment) should be pursued

180. Defensive strategies include all of the following EXCEPT:

Retrenchment
Acquisition
Divestiture
Liquidation
Defensive Strategies In addition to integrative, intensive, and diversification strategies, organizations also could pursue Retrenchment, divestiture, or liquidation.

181. Selling all of a company's assets in parts for their tangible worth is known as:

Joint venture
Divestiture
Liquidation
Integration
Selling all of a company's assets, in parts, for their tangible worth Selling all of a company's assets, in parts, for their tangible worth is
called *liquidation.* Liquidation is recognition of defeat and, consequently, can be

an emotionally difficult strategy. However, it may be better to cease operating than to continue losing large sums of money.

182. Which of the following stages of strategy formulation framework involves developing Internal-External (IE) Matrix?

Input stage
Output stage
Matching stage
Decision stage

183. Input stage of strategy-formulation framework includes developing which of the following set of strategies?

IFE, EFE and QSPM Matrix
IFE, IE and BCG Matrix
IFE, CPM and EFE Matrix
EFE, IE and CPM Matrix

184. ABC company is competing in an industry where the growth rate of that industry from year to year has reached or is close to zero, ABC is operating in which industry?

Growing industry
Emerging industry

Mature industry

Declining industry

185. Which of the following strategy generally entails large research and development expenditures?

Market penetration

Retrenchment

Forward integration

Product development

Product Development

Product development is a strategy that seeks increased sales by improving or modifying present products or services. Product development usually entails large research and development expenditures.

Question No: 1 (Marks: 1) - Please choose one

R&D expertise should be obtained through acquisition of a well-established firm in the industry in which of the following situation?

If both technical progress and market growth are fast

If technology is changing slowly but the market is growing fast

If the technical progress is slow, market growth the rate is moderate

If technology is changing rapidly and the market is growing slowly

Question No: 2 (Marks: 1) - Please choose one

A desired future state that the organization attempts to realize . Identify the term relevant to the given statement.

Policy

Procedure

Goal

Strategy

Question No: 3 (Marks: 1) - Please choose one

The purpose of a mission statement is to declare all of the following EXCEPT:

A reason of being

A statement of purpose

An annual financial plan

A statement of beliefs

Question No: 4 (Marks: 1) - Please choose one

Ethnic balance changes due to the migration of the people from different areas to different areas. This affects the ethical behavior very much , this is the effect of

which of the following forces?

Economic forces

Social, cultural, and demographic forces

Technological forces

Competitive forces

Question No: 5 (Marks: 1) - Please choose one

Which of the following can be considered as barriers to entering a market or industry?

The lack of economies of scale and experience and low levels of brand loyalty

The presence of large number of rivals already in the industry

Relatively large capital requirements and industry have economies of scale

The absence of tariffs, trade restrictions, and/or government-mandated regulations

Question No: 6 (Marks: 1) - Please choose one
Which one of the statements is a good example of the competitive power of substitute products?
The competition between contact lens and eyeglasses
the competition between Amazon.com and traditional off-line bookstores
The competition between cellular phones and computers
The competition between Aspirin and joshanda

Question No: 7 (Marks: 1) - Please choose one

Assigning 1 rating to a key external factor indicates that:

Response is average

Response is poor

Response is superior

Response is above average

Question No: 8 (Marks: 1) - Please choose one

What is the difference between CPM and EFE?

CPM includes both internal and external issues

The weight and total weighted score mean opposite

CPM ratings range from 1 to 10

CPM is performed only for the large businesses

Question No: 9 (Marks: 1) - Please choose one

Which of the following can be the strength of an organization?

A developing market

A new international market

Loosening of regulation

Strong management team

Question No: 10 (Marks: 1) - Please choose one

Max Rent-a-Car is opening car rental shops in Wal-Mart stores, is an example of

which type of strategy?

Forward integration

Backward integration

Related diversification

Unrelated diversification

Question No: 11 (Marks: 1) - Please choose one

Which of the followings involves the substantial modification of existing products or the creation of new but related products that can be marketed to current customers through established channels?

Innovation

Differentiation

Product development

Market development

Question No: 12 (Marks: 1) - Please choose one

Abdullah Group of Industries is involved in the sale of its marginal business. It is

most likely to say that Abdullah Group is implementing _____

strategy.

Join venture

Acquisition

Liquidation

Retrenchment

Explanation: Retrenchment can entail selling off land and buildings to raise needed cash, pruning product lines, closing marginal businesses, closing obsolete factories, automating processes, reducing the number of employees, and instituting expense control systems.

Question No: 13 (Marks: 1) - Please choose one

Which strategy should be implemented when a division is responsible for an

Organization's overall poor performance?

Divestiture

Forward integration

Cost leadership

Related diversification

Question No: 14 (Marks: 1) - Please choose one

Matching stage of strategy formulation framework comprises of formulation of which of the following set of matrices?

BCG, SPACE, QSPM matrix

BCG, SPACE, TWOS Matrix

SPACE, TWOS and IFE matrix

BCG, SPACE, EFE Matrix

Question No: 15 (Marks: 1) - Please choose one

Other than ranking strategies to achieve the prioritized list, only one analytical technique in strategy formulation which is designed to determine the relative attractiveness of feasible alternative actions is known as:

SPACE

QSPM

IFE

CPM

Explanation: QSPM stands for **Quantitative Strategic Planning Matrix.** A quantitative method used to collect data and prepare a matrix for strategic planning. It is based on identified internal and external crucial success factors.

Question No: 16 (Marks: 1) - Please choose one

ABC Corporation can have competitive advantage over its competitor by taking all of the following actions EXCEPT:

By increasing product quality

By having debt to equity ratio=1

By altering product life cycle

By increasing customer base

Question No: 17 (Marks: 1) - Please choose one

What type of strategies would you recommend when a firm s SPACEMatrix

directional vector has the coordinates (-4, -4)?

Aggressive

Conservative

Competitive

Defensive

Question No: 18 (Marks: 1) - Please choose one

A position vector with (-6, +6) coordinates describes which one of the following

statement regarding SPACE analysis matrix?

A financially weak and highly competitively firm

A financially strong and highly competitively firm

A Financially strong firm but competitively weak

A financially as well as competitively weak firm

Question No: 19 (Marks: 1) - Please choose one

Business units that have low market share and are operating in slow-growing

industry should choose all of the following EXCEPT:

New investments

Production efficiency

Distribution efficiency

Product innovation

Question No: 20 (Marks: 1) - Please choose one

On the x-axis of IE Matrix, an IFE total weighted score of 3.75 depicts what?

A weak internal position

An average internal position

A strong internal position

A low internal position

Explanation: On the *x*-axis of the IE Matrix, an IFE total weighted score of 1.0 to 1.99 represents a weak internal position; a score of 2.0 to 2.99 is considered average; and a score of 3.0 to 4.0 is strong.

Question No: 21 (Marks: 1) - Please choose one

Which of the following is TRUE about weights assigned in QSPM?

This refers to preference assigned to the internal and external factors

This refers to relative importance of the internal and external factors

This refers to the insignificance of the internal and external factors

This refers to the relative size of the internal and external factors

Question No: 22 (Marks: 1) - Please choose one

What can be the limitation of QSPM?

Only a few strategies can be evaluated simultaneously

The cost of doing the analysis is very high

Intuitive judgments and educated assumption are required

It requires equal participation of everyone in organization

Question No: 23 (Marks: 1) - Please choose one

Which of the following is NOT a part of resource allocation plan?

Basic allocation decision

Contingency mechanisms

Primary allocation mechanism

None of the given options

Explanation: In strategic planning, a resource-allocation decision is a plan for using available resources, especially human resources especially in the near term, to achieve goals for the future. It is the process of allocating resources among the various projects or business units. The plan has two parts: Firstly, there is the basic allocation decision and secondly there are contingency mechanisms.

Question No: 24 (Marks: 1) - Please choose one

Which one of the following is not an approach to resolve conflicts?

Avoidance

Defusion

Confrontation

Ignorance

Question No: 25 (Marks: 1) - Please choose one

Which approach for managing and resolving conflict involves playing down

differences between conflicting parties while stressing on similarities and common interests?

Avoidance

Compliance

Defusion

Confrontation

Question No: 26 (Marks: 1) - Please choose one

Which of the following is best identified as being an adaptation of the divisional

structure?

Vertical Integration

Strategic business units

Joint venture

None of the given options

Rationale: Medium-size firms tend to be divisionally structured (decentralized). Whereas above mentioned 3 form of organizations fall under the category of large size organizations which adopt SBU.

Question No: 27 (Marks: 1) - Please choose one

All of the following would be considered as true statements regarding the matrix

organizational structure EXCEPT which one?

It reduces managerial positions

It shares authority and responsibility among managers

It distributes stress among the team members

It maintains better balance between time and performance

Rationale: A matrix structure can result in higher overhead because it creates more management positions.

Question No: 28 (Marks: 1) - Please choose one

The inventory is viewed as which of the following in Just In Time Inventory system:

Incurring costs

Adding value

Disburse expense

None of the given options

Explanation: First off inventory is seen as incurring costs instead of adding value, contrary to traditional thinking. Therefore, under the philosophy businesses are encouraged to eliminate inventory that doesn't add value to the product.

Question No: 29 (Marks: 1) - Please choose one

What is NOT a major benefit of having a diverse workforce?

Improvement of the bottom line

An increase in training costs

An increase in productivity

A decrease in complaints

Question No: 30 (Marks: 1) - Please choose one

Market segmentation is especially used in implementing strategies by which of the following firms?

Small firms

Large firms

Medium-size firms

All of the given options

Reference: Market segmentation is widely used in implementing strategies, especially for small and specialized firms. Market segmentation can be defined as the subdividing of a market into distinct subsets of customers according to needs and buying habits.

Question No: 31 (Marks: 1) - Please choose one

All of the following are the requirements for successful segmentation EXCEPT:

Segment is large enough to be profitable

Homogeneity between the segments

Segments are accessible and actionable

Heterogeneity between segments

Rationale: Homogeneity within the segment

Question No: 32 (Marks: 1) - Please choose one

The process of dividing markets into groups of consumers who are similar to each other .Which of the following terms describes the statement?

Positioning

Segmentation

Marketing

Targeting

Question No: 33 (Marks: 1) - Please choose one

Which of the following statements is FALSE about mass marketing?

Mass marketing reduces costs through economies of scale by the increased volume

Mass marketing does not try to please all customers with same offering

Mass marketing allows economies of scale to be realized through mass production

Mass Marketing means attempting to sell the same product to a wider audience

Rationale: The drawback of mass marketing is that customer needs and preferences differ and the same offering is unlikely to be viewed as optimal by all customers.

Question No: 34 (Marks: 1) - Please choose one

Which of these is the most common type of budgeting time frame?

Daily

Monthly

Quarterly

Annually

Explanation: Annual budgets are most common, although the period of time for a budget can range from one day to more than ten years.

Question No: 35 (Marks: 1) - Please choose one

At least how many R & D approaches are used for the implementation of strategy?

Three

Four

Five

Two

Question No: 36 (Marks: 1) - Please choose one

Which one of the following is not a rivalry determinant of Porter s model?

Differentiation of inputs

Industry growth

Diversity of competitors

Switching costs

Rationale: It is threat of substitute product.

Question No: 37 (Marks: 1) - Please choose one

What is the purpose of strategy evaluation?

Increase the budget annually

Alert management of problems

Make budget changes

Evaluate employees performance

Question No: 38 (Marks: 1) - Please choose one

All of the following are the examples of technology development EXCEPT:

Research and Development

Quality management

Process automation

Design and redesign

Question No: 39 (Marks: 1) - Please choose one

Strategy evaluation is based on which of the following?

Quantitative and empirical criteria

Empirical and qualitative criteria

Qualitative and objective criteria

Qualitative and quantitative criteria

Question No: 40 (Marks: 1) - Please choose one

Which of the following statement is TRUE about most of the quantitative criteria of evaluating strategies?

These are geared to annual objective

These are geared to short-term objective

These are geared to long-term objective

These are geared to social objectives

Reference: most quantitative criteria are geared to annual objectives rather than long-term objectives.

Question No: 41 (Marks: 1) - Please choose one

What is the basis for quantitative financial evaluation?

The EPS/EBIT Analysis

Capital Asset Pricing Model

Financial ratios

Present value analysis

Explanation: Quantitative criteria commonly used to evaluate strategies are financial ratios, which strategists use to make three critical comparisons:

Question No: 42 (Marks: 1) - Please choose one

The people who perform audit can be categorized as all of the following EXCEPT:

Independent auditors

Financial auditors

Government auditors

Internal auditors

Question No: 43 (Marks: 3)

Formulation framework is considered to be the input stage of a Comprehensive

Strategy-Formulation Framework. You are required to identify the strategy

formulation tools included in this stage.

Question No: 44 (Marks: 3)

One of the approaches to implement change says: People are basically compliant and will generally do what they are told or can be made to do and change is based on the exercise of authority and the imposition of sanctions. Identify that approach and explain.

Question No: 45 (Marks: 3)

Net worth can be used to determine credit worthiness because it gives a snapshot of the company's investment history. Identify three approaches for determining the worth of a business.

Question No: 46 (Marks: 5)

Explain the benefits and limitations of developing a Boston Consulting Group Matrix.

Question No: 47 (Marks: 5)

Describe the kind of strategy-evaluation system, a large and a small organization

require?

Question No: 48 (Marks: 10)

Suppose you are a strategist in a company and you want to evaluate the effectiveness of your contingency planning? How will you do it?

Question No: 49 (Marks: 10)

The Management of Voyager Pvt.Ltd. has been facing a decline in sales and profits since 9 months due to strong competitors. Now the management has decided to restructure the company. You being a management consultant are required to guide them in the following areas:

The process of restructuring. (2)

In which cases they should use this option? (2)

What would be the benefits of restructuring to the organization? (3)

What possible actions the management should take while restructuring the

company? (3)

Question # 1 of 15 (Start time: 08:34:41 PM) Total Marks: 1
Firms in quadrant-IV of grand strategy matrix have which of the following characteristics?
Select correct option:

Rapid market growth and strong competitive position
Rapid market growth and weak competitive position
Slow market growth and strong competitive position
Slow market growth and weak competitive position

Question # 2 of 15 (Start time: 08:35:29 PM) Total Marks: 1
Assigning rating 3 to an internal factor in IFE matrix indicates what?
Select correct option:

Major weakness

Minor weakness
Minor strength
Major strength

Question # 3 of 15 (Start time: 08:36:28 PM) Total Marks: 1
Which one of the following dimensions is NOT a recommended component of a mission statement?
Select correct option:

Self-concept
Markets
Strategies
Customers

Question # 4 of 15 (Start time: 08:37:04 PM) Total Marks: 1
All of the following are used as a base for market segmentation EXCEPT:
Select correct option:

Socioeconomic
Geographic
Demographic
Psychographic

Question # 5 of 15 (Start time: 08:37:43 PM) Total Marks: 1
Majority of the businesses follow which of the following organizational structure?
Select correct option:

Strategic business unit
Functional structure
Divisional structure
Matrix structure

Question # 6 of 15 (Start time: 08:38:28 PM) Total Marks: 1
In the SPACE analysis, what does (+6, +3) strategy profile portray?
Select correct option:

A strong industry with strong financial strength
A stable environment with strong financial strength
A stable environment for highly competitive firm
A strong industry operating in stable environment

Question # 7 of 15 (Start time: 08:39:59 PM) Total Marks: 1
Which of the following statement is referred to ‘Price fluctuation’?
Select correct option:

Decrease in prices
Increase in prices
Fluctuation in the prices of a particular commodity

Fluctuation in general price level

Question # 8 of 15 (Start time: 08:40:23 PM) Total Marks: 1
Long-term objectives are needed at which level(s) of the organization?
Select correct option:

Corporate level
Divisional level
Functional level
All of the given options

Question # 9 of 15 (Start time: 08:40:59 PM) Total Marks: 1
For the past four years the ABC Corporation has been planning to expand its operations in order to reach out to the world market. Essentially, the ABC Corporation desires to do what?
Select correct option:

Become an online business
Become a brick-n-mortar business
Embrace globalization
Become a click-n-mortar business

Question # 10 of 15 (Start time: 08:41:43 PM) Total Marks: 1
Establishing and implementing ways of making things work is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 11 of 15 (Start time: 08:42:35 PM) Total Marks: 1
All of the following are functional support roles of Management Information System EXCEPT:
Select correct option:

Recording and storing accounting records
Recording and storing inventory data
Recording and storing business intelligence data
The enhanced ability to explore "what if"

Question # 12 of 15 (Start time: 08:43:05 PM) Total Marks: 1
Strategy formulation stage includes all of the following EXCEPT:
Select correct option:

Vision and mission
Strength and weakness
Opportunities and threats

Annual objectives

Question # 13 of 15 (Start time: 08:43:52 PM) Total Marks: 1
During which stage of strategic management, firm's specific internal strengths and weaknesses are determined?
Select correct option:

Formulation
Implementation
Evaluation
Feedback

Question # 14 of 15 (Start time: 08:44:21 PM) Total Marks: 1
The SPACE matrix of XYZ company shows that the coordinates of its directional vector are (-5, -5). What strategy would you recommend for the ABC Company?
Select correct option:

Concentric diversification
Market development
Backward integration
Joint venture

Question # 15 of 15 (Start time: 08:45:14 PM) Total Marks: 1
Which one of the following is NOT a basic mission of a competitive intelligence program?
Select correct option:

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm
Question # 1 of 15 (Start time: 08:49:07 PM) Total Marks: 1
According to Porter, which strategy offers products or services to a small range of customers at the lowest price available on the market?
Select correct option:
Low cost
Best value
Cost focus
Differentiation

Question # 2 of 15 (Start time: 08:49:48 PM) Total Marks: 1
All of the following are the indicators of industry strength for an organization EXCEPT:
Select correct option:
Financial stability
Ease of entry into the market
Geographic and product freedom

Control over suppliers

Question # 3 of 15 (Start time: 08:50:40 PM) Total Marks: 1
The strategy embraced by Ahmad Bros. is to address the needs of a very selected and specialized market segment. That is most likely to engage in which one of the following types of strategy?
Select correct option:
Differentiation strategy
Generic strategy
Focus strategy
Low cost strategy

Question # 4 of 15 (Start time: 08:51:22 PM) Total Marks: 1
Ethnic balance is affected due to which of the following?
Select correct option:
Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

Question # 5 of 15 (Start time: 08:51:56 PM) Total Marks: 1
All of the following are examples of marketing decisions that require policies EXCEPT:
Select correct option:
To be a market leader or follower
Whether to advertise online or not
Either to offer a complete or limited warranty
To use billboards for outdoor advertising

Question # 6 of 15 (Start time: 08:52:35 PM) Total Marks: 1
A system of several rites connected with a single occasion or event is known as:
Select correct option:
Myth
Ceremonial
Saga
Legend

Question # 7 of 15 (Start time: 08:53:04 PM) Total Marks: 1
Test marketing is commonly applied by which of the following companies?
Select correct option:
Industrial goods companies
Consumer goods companies
Public sector companies
Private sector companies

Question # 8 of 15 (Start time: 08:53:44 PM) Total Marks: 1
Business units that have low market share and are operating in slow-growing industry should choose all of the following EXCEPT:

Select correct option:
Distribution efficiency
Production efficiency
New investments
Product innovation

Question # 9 of 15 (Start time: 08:54:12 PM) Total Marks: 1
The purpose of an external audit is to prepare a list of which of the following?
Select correct option:
Opportunities and weaknesses
Threats and strengths
Opportunities and threats
Strengths and weaknesses

Question # 10 of 15 (Start time: 08:54:50 PM) Total Marks: 1
What strategies are appropriate for the divisions that fall in grow and build region of IE matrix?
Select correct option:
Defensive and integrative strategies
Intensive and integrative strategies
Diversification and intensive strategies
Defensive and diversification strategies

Question # 11 of 15 (Start time: 08:55:44 PM) Total Marks: 1
Adding new, unrelated products or services is called:
Select correct option:
Forward integration
Backward integration
Conglomerate diversification
Concentric diversification

Question # 12 of 15 (Start time: 08:56:24 PM) Total Marks: 1
Which one of the following is the organizational structure that most of the medium-size organizations follow?
Select correct option:
Divisional structure
Strategic business unit
Functional structure
Matrix structure

Question # 13 of 15 (Start time: 08:57:07 PM) Total Marks: 1
Which of the following is the first step in the controlling function of management?
Select correct option:
Take corrective actions
Restrict breaks employees take
Evaluate expense reports
Establish performance standards

Question # 14 of 15 (Start time: 08:57:55 PM) Total Marks: 1
Which of the following factors can predict the stability or non-stability of the environment, the firm is operating in?
Select correct option:
Rate of inflation
Ease of exit from market
Customer loyalty
Financial stability

Question # 15 of 15 (Start time: 08:58:33 PM) Total Marks: 1
Which of the followings best describes the Horizontal integration?
Select correct option:
A firm takes over a supplier
A firm takes over a distributor
A firm takes over a competitor
A firm takes over a manufacturer
Question # 1 of 15 (Start time: 09:02:21 PM) Total Marks: 1
Which of these is an attractive strategy for a cash cow division?
Select correct option:
Concentric diversification
Horizontal integration
Conglomerate diversification
Backward integration

Question # 2 of 15 (Start time: 09:03:20 PM) Total Marks: 1
All of the following are the types of cooperative arrangements EXCEPT:
Select correct option:
R&D partnerships
Joint-bidding consortia
Cross-licensing agreements
Diversification

Question # 3 of 15 (Start time: 09:04:34 PM) Total Marks: 1
Which of the following is the first step in developing QSPM?
Select correct option:
Developing a list of the firm's key external and internal factors.
Determining the Attractiveness Scores for each strategy.
Examine the Stage 2 matrices and identify alternative strategies.
Assigning weights to each key external and internal factor.

Question # 4 of 15 (Start time: 09:05:15 PM) Total Marks: 1
The reason to develop QSPM is to evaluate the alternative strategies derived from all of these EXCEPT:
Select correct option:
Grand Strategy Matrix
BCG Matrix
Space Matrix

CPM Matrix

Question # 5 of 15 (Start time: 09:06:14 PM) Total Marks: 1
All of the following situations are conducive to market development EXCEPT:
Select correct option:
When new untapped or unsaturated markets exist
When new channels of distribution are expensive
When an organization has excess production capacity
When an organization's basic industry is becoming rapidly global

Question # 6 of 15 (Start time: 09:06:58 PM) Total Marks: 1
All of the following are the examples of promotion decision EXCEPT:
Select correct option:
Personal selling
Volume discounts
Public relations
Advertising

Question # 7 of 15 (Start time: 09:08:03 PM) Total Marks: 1
Which strategy seeks to increase market share of present products or services in present markets through greater marketing efforts?
Select correct option:
Market penetration
Market development
Backward integration
Product development

Question # 8 of 15 (Start time: 09:08:33 PM) Total Marks: 1
All of the following would be considered as weaknesses to a business EXCEPT:
Select correct option:
Maturing markets
Limited industry expertise
Brand name
Limited financial resources

Question # 9 of 15 (Start time: 09:09:28 PM) Total Marks: 1
According to Porter, which strategy offers products or services to a small range of customers at the lowest price available on the market?
Select correct option:
Low cost
Best value
Cost focus
Differentiation

Question # 10 of 15 (Start time: 09:10:39 PM) Total Marks: 1
When a merger or acquisition is not desired by both the parties of merger, then it is known as:
Select correct option:

Divestiture
Takeover
Outsourcing
Integration

Question # 11 of 15 (Start time: 09:11:23 PM) Total Marks: 1
What are the four dimensions of a SPACE matrix?
Select correct option:
Environmental stability; Industrial strength; Competitive advantage; Market growth rate
Environmental stability; Industrial strength; Competitive advantage; Financial strength
Industrial strength; Competitive advantage; financial strength; Market share
Environmental stability; Industrial strength; Market growth rate; Market share

Question # 12 of 15 (Start time: 09:11:56 PM) Total Marks: 1
Selling all of a company's assets in parts for their tangible worth is known as:
Select correct option:
Joint venture
Divestiture
Liquidation
Integration

Question # 13 of 15 (Start time: 09:12:35 PM) Total Marks: 1
Market segmentation is especially used in implementing strategies by which of the following firms?
Select correct option:
Small firms
Medium-size firms
Large firms
All of these firms

Question # 14 of 15 (Start time: 09:13:04 PM) Total Marks: 1
When two organizations of about equal size unite to form one enterprise, which of the following takes place?
Select correct option:
Hostile takeover
Merger
Liquidation
Divestiture

Question # 15 of 15 (Start time: 09:13:50 PM) Total Marks: 1
Which of the following strategy generally entails large research and development expenditures?
Select correct option:
Market penetration
Retrenchment

Forward integration
Product development
Question # 1 of 15 (Start time: 09:23:55 PM) Total Marks: 1
Which one of the following is NOT a SMART criterion?
Select correct option:

Measurable
Strategy
Achievable
Relevant

Question # 2 of 15 (Start time: 09:25:01 PM) Total Marks: 1
External forces directly affects all of the following EXCEPT:
Select correct option:

Market segmentation strategies
Types of products/services offered
Management structure of organization
Choice of businesses to acquire or sell

Question # 3 of 15 (Start time: 09:26:06 PM) Total Marks: 1
Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

Question # 5 of 15 (Start time: 09:27:47 PM) Total Marks: 1
All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:
Select correct option:

Tax rates
Trust in government
Pak-India relationships
Patent laws

Question # 6 of 15 (Start time: 09:28:47 PM) Total Marks: 1
Which of the following is NOT a SPACE Matrix quadrant?
Select correct option:

Aggressive
Defensive
Competitive
Offensive

Question # 7 of 15 (Start time: 09:29:19 PM) Total Marks: 1
The IE Matrix consists of how many cells?
Select correct option:

Seven
Eight
Nine
Ten

Question # 8 of 15 (Start time: 09:29:53 PM) Total Marks: 1
Majority of the businesses follow which of the following organizational structure?
Select correct option:

Strategic business unit
Functional structure
Divisional structure
Matrix structure

Question # 9 of 15 (Start time: 09:30:57 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 10 of 15 (Start time: 09:31:46 PM) Total Marks: 1
Marketing decisions generally fall into four controllable categories. Which one of the following is NOT one of marketing decisions category?
Select correct option:

Product
Process
Distribution
Promotion

Question # 11 of 15 (Start time: 09:32:22 PM) Total Marks: 1
Input stage of strategy formulation framework includes developing which of the following set of strategies?
Select correct option:

IFE, EFE and QSPM Matrix
IFE, IE and BCG Matrix
IFE, CPM and EFE Matrix
EFE, IE and CPM Matrix

Question # 12 of 15 (Start time: 09:33:22 PM) Total Marks: 1
Which of the following is best identified as a statement that presents “a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive”?
Select correct option:

Corporate philosophy statement
Company creed
Vision statement
Mission statement

Question # 13 of 15 (Start time: 09:34:02 PM) Total Marks: 1
All of the following fall under Pricing decisions EXCEPT:
Select correct option:

Discounts
Credit terms
Markups
Dealer relations

Question # 14 of 15 (Start time: 09:34:32 PM) Total Marks: 1
According to the Grand Strategy Matrix, in which quadrant organizations have a strong competitive position but are in a slow-growth industry?
Select correct option:

I
II
III
IV

Question # 15 of 15 (Start time: 09:35:00 PM) Total Marks: 1
All of the following are functional support roles of Management Information System EXCEPT:
Select correct option:

Recording and storing accounting records
Recording and storing inventory data
Recording and storing business intelligence data
The enhanced ability to explore "what if"
Question # 1 of 15 (Start time: 11:22:48 PM) Total Marks: 1
In BCG growth-share matrix, which of the following would be most likely to possess a low market share and a high growth rate?
Select correct option:

Dog
Question mark
Cash cow
Star

Question # 2 of 15 (Start time: 11:23:42 PM) Total Marks: 1
Which one of the following strategies is referred as presenting products, often with a little or no modification, to customers in related marketing areas?
Select correct option:

Market development
Market penetration
Horizontal integration
Product development

Question # 3 of 15 (Start time: 11:24:47 PM) Total Marks: 1
Which of the following was NOT included in Borden's marketing mix?
Select correct option:

Product planning
Display
Styling
Physical handling

Question # 4 of 15 (Start time: 11:25:58 PM) Total Marks: 1
Product development involves going in the direction of which one of the following?
Select correct option:

Present products to present markets
Present products to new markets
New products to present markets
New products to new markets

Question # 5 of 15 (Start time: 11:26:28 PM) Total Marks: 1
Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company’s future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Question # 6 of 15 (Start time: 11:27:00 PM) Total Marks: 1
Which of the following directs at developing new products before competitors do at improving product quality or at improving manufacturing processes to reduce costs?
Select correct option:

Marketing
Opportunity analysis
Research and development

Management

Question # 7 of 15 (Start time: 11:27:57 PM) Total Marks: 1
The reason to develop QSPM is to evaluate the alternative strategies derived from all of these EXCEPT:
Select correct option:

Grand Strategy Matrix
BCG Matrix
Space Matrix
CPM Matrix

Question # 8 of 15 (Start time: 11:28:11 PM) Total Marks: 1
Which of these strategies is effective when the number of suppliers is small and the number of competitors is large?
Select correct option:

Conglomerate diversification
Forward integration
Backward integration
Horizontal diversification

Question # 9 of 15 (Start time: 11:28:56 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 10 of 15 (Start time: 11:29:08 PM) Total Marks: 1
Defensive strategies include all of the following EXCEPT:
Select correct option:

Retrenchment
Acquisition
Divestiture
Liquidation

Question # 11 of 15 (Start time: 11:29:34 PM) Total Marks: 1
In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?
Select correct option:

SO Strategy
WO Strategy
SW Strategy
ST Strategy

Question # 12 of 15 (Start time: 11:30:10 PM) Total Marks: 1
Identify the term that is known as a “mean of providing guidance to actions and procedures, including how resources are to be allocated and how tasks assigned to the organization might be accomplished”.
Select correct option:

Aspirations
Objectives
Policies
Goals

Question # 13 of 15 (Start time: 11:31:19 PM) Total Marks: 1
Which one of the following is NOT a SMART criterion?
Select correct option:

Measurable
Strategy
Achievable
Relevant

Question # 14 of 15 (Start time: 11:31:29 PM) Total Marks: 1
Which of the following is the last step in the development of QSPM?
Select correct option:

Developing a list of the firm’s key external and internal factors
Determining the Attractiveness Scores for each strategy
Compute the Sum Total Attractiveness Score
Assigning weights to each key external and internal factor

Question # 15 of 15 (Start time: 11:32:45 PM) Total Marks: 1
Which of the following categories of ratios includes return on total assets and return on stockholders’ equity as its types?
Select correct option:

Profitability
Leverage
Growth
Liquidity
Question # 1 of 15 (Start time: 11:46:29 PM) Total Marks: 1
In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?

Select correct option:

SO Strategy
WO Strategy
SW Strategy
ST Strategy

Question # 2 of 15 (Start time: 11:46:50 PM) Total Marks: 1
Which of the following refers to Kanban?
Select correct option:

Manufacturing system
Production unit
Signals
Process

Question # 3 of 15 (Start time: 11:47:40 PM) Total Marks: 1
Buyers can exercise high bargaining power over their suppliers under which one of the following conditions?
Select correct option:

When there are many good substitutes of raw material
There are few buyers in the market
They have few suppliers to choose from
There is a high concentration of suppliers

Question # 4 of 15 (Start time: 11:49:04 PM) Total Marks: 1
Selling all of a company's assets in parts for their tangible worth is known as:
Select correct option:

Joint venture
Divestiture
Liquidation
Integration

Question # 5 of 15 (Start time: 11:49:36 PM) Total Marks: 1
The organizations, where resource allocation is not based on strategic-management approach to decision making, which approach is used for resource allocation?
Select correct option:

Financial budget
Relative importance of departments
On political or personal factors
Relative cost of each resources

Question # 6 of 15 (Start time: 11:50:18 PM) Total Marks: 1
Where an organization is considering development in an existing market with

existing products it is pursuing which of the following strategy?
Select correct option:

Diversification
Market development
Market penetration
Product development

Question # 7 of 15 (Start time: 11:50:49 PM) Total Marks: 1
Non-financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Better awareness of external threats
Enhanced awareness of threats
Reduced resistance to change
Increase in sales

Question # 8 of 15 (Start time: 11:51:29 PM) Total Marks: 1
Which of the following are two positive-rated dimensions on SPACE Matrix?
Select correct option:

FS and CA
CA and ES
FS and IS
IS and ES

Question # 9 of 15 (Start time: 11:52:06 PM) Total Marks: 1
Marketing decisions generally fall into four controllable categories. Which one of the following is NOT one of marketing decisions category?
Select correct option:

Product
Process
Distribution
Promotion

Question # 10 of 15 (Start time: 11:52:22 PM) Total Marks: 1
A firm that is involved in two or more distinct businesses is known as:
Select correct option:

A diversified company
A ventured company
A restructured company
A multinational corporation

Question # 11 of 15 (Start time: 11:53:37 PM) Total Marks: 1
Which one of the following is the organizational structure that most of the

medium-size organizations follow?
Select correct option:

Divisional structure
Strategic business unit
Functional structure
Matrix structure

Question # 12 of 15 (Start time: 11:53:53 PM) Total Marks: 1
The total weighted score of IFE matrix developed for XYZ corporation is 3.5. Which of the following statement is TRUE about XYZ Corporation in the light of IFE matrix total weighted score?
Select correct option:

Corporation has strong external position
Corporation has weak internal position
Corporation has strong internal position
Corporation has weak external position

Question # 13 of 15 (Start time: 11:55:13 PM) Total Marks: 1
Local, state, and national elections, world oil, currency, and labor markets, number of patents, special tariffs are the examples of which one of the following?
Select correct option:

Economic forces
Social, cultural and, demographic forces
Political, governmental, and legal forces
Competitive forces

Question # 14 of 15 (Start time: 11:55:58 PM) Total Marks: 1
BCG matrix is used in matching stage of strategy formulation framework. It plots the business units along which of the following dimensions?
Select correct option:

Market share and industry strength
Market share and market growth rate
Market growth rate and competitive position
Market growth rate and environment stability

Question # 15 of 15 (Start time: 11:57:20 PM) Total Marks: 1
Ethnic balance is affected due to which of the following?
Select correct option:

Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

Question No: 1
Which of the following is NOT included in the strategic management model?

- ► Measure and evaluate performance
- ► Establish long-term objectives
- ► Develop mission and vision statements
- ► **Perform internal research to identify customers**

Question No: 2
A mission statement should "reconcile interests among diverse stakeholders". What does it mean?

- ► **All shareholders must be satisfied**
- ► Shareholders should be given preference over customers
- ► Firm will devote attention to meeting claims of various stakeholders
- ► Firm will devote its attention towards the maximization of shareholders value

Question No: 3
Which of the following are signs of strength in a company's competitive position?

- ► A debt-to-asset ratio below 0.50 and a positive net cash flow
- ► A website with extensive information about the company and its product line
- ► R&D and advertising expenditures greater than $10 million annually
- ► **A strongly differentiated product and a strong or rising market share (NOT SURE)**

Question No: 4
Which of the following is the first step in the controlling function of management?

- ► Take corrective actions
- ► Restrict breaks employees take
- ► Evaluate expense reports
- ► **Establish performance standards**

Question No: 5
Which of the following allows an organization to test alternative marketing plans and to forecast future sales of new products?

- ► Marketing
- ► Advertisement
- ► **Test marketing**
- ► Customer analysis

Question No: 6
The steps required to perform cost/benefit analysis include all BUT:

- ► Comparing the total costs with the total benefits
- ► Figure out the total costs associated with a decision
- ► Approximation of the total benefits from the decision
- ► **Adding the total cost and total benefit**

Question No: 7
In strategy formulation phase, what can be the problem when only financial ratios are used to measure organizational performance?

► **They need to be compared with competitors**
► They are only understandable by accountants
► There are many different measures available
► The measures are usually inconsistent

Question No: 8
The IFE matrix summarizes and evaluates which factors in the functional areas of a business?

► Opportunities and threats
► **Strengths and weaknesses**
► Strengths and threats
► Opportunities and weaknesses

Question No: 9
The Web sites that sell products directly to the consumers are the examples of which type of strategy?

► Backward integration
► **Product development** **(NOT SURE)**
► Forward integration
► Horizontal integration

Question No: 10
Which of the followings best describes the Horizontal Integration?

► A firm takes over a supplier
► A firm takes over a distributor
► **A firm takes over a competitor**
► A firm takes over a manufacturer

Question No: 11
Which of the following is a drawback or limitation of Horizontal Integration?

► Synergies may be more imaginary than real
► It can increase suppliers' and buyers' bargaining power
► **Economies of scale are likely to be decreased** **(NOT SURE)**
► Both the first & third options are correct

Question No: 12
Competitive advantage based on differentiation derives from:

► **Being the lowest cost producer in the industry and offering the lowest priced products**
► Having processes and systems which are different from competitors
► Offering products which offer different benefits from competitors' and are valued by buyers
► Having the broadest range of different goods and services in the industry

Question No: 13

All of the following situations are conducive to market development EXCEPT:

- ► **When new channels of distribution are expensive**
- ► When new untapped or unsaturated markets exist
- ► When an organization has excess production capacity
- ► When an organization's basic industry is becoming rapidly global

Question No: 14

Which strategy would be effective when the stockholders of a firm can minimize their losses by selling the organization's assets?

- ► **Liquidation**
- ► Integration
- ► Differentiation
- ► Diversification

Question No: 15

ABC firm has high production cost in Pakistan due to expensive raw material. The firm is formulating the strategy of capturing the European market as prices of raw material used in ABC firm's products is relatively low in European market and demand is also there for the firm's products. Which of the following strategy the firm is going to use?

- ► **WO**
- ► SW
- ► ST
- ► WT

Question No: 16

What of the following strategy would you recommend when a firm's SPACE Matrix directional vector has the coordinates (-5, -2)?

- ► Market penetration
- ► Market development
- ► Backward integration
- ► **Retrenchment**

Question No: 17

ABC company is competing in an industry where the growth rate of that industry from year to year has reached zero or is close to zero, ABC is operating in which industry?

- ► Growing industry
- ► Emerging industry
- ► Mature industry
- ► **Declining industry**

Question No: 18

IE matrix is based on which dimensions?

- ► Market share and industry growth
- ► Financial strength and industry strength
- ► **Weighed scores of IFE and EFE matrices**
- ► Market growth and competitive position

Question No: 19

How can the divisions that fall in hold and maintain region of IE matrix be best managed?

- **Market penetration and product development (NOT SURE)**
- Forward integration and backward integration
- Horizontal diversification and joint venture
- Mergers and acquisitions

Question No: 20

In Grand strategy matrix what will be the appropriate quadrant for the Ahmad textiles if it is operating in and holds weak competitive position?

- Quadrant I
- Quadrant II
- **Quadrant III**
- Quadrant IV

Question No: 21

Which of the following is TRUE about weights assigned in QSPM?

- This refers to preference assigned to the internal and external factors
- **This refers to relative importance of the internal and external factors**
- This refers to the insignificance of the internal and external factors
- This refers to the relative size of the internal and external factors

Question No: 22

Numerical values that indicate the relative attractiveness of each strategy in a given set of alternative strategies is referred as:

- **Total attractiveness score**
- Attractiveness score
- Weighted score
- Total weighted score

Question No: 23

What can be the limitation of QSPM?

- Only a few strategies can be evaluated simultaneously
- The cost of doing the analysis is very high
- **Intuitive judgments and educated assumption are required**
- It requires equal participation of everyone in organization

Question No: 24

Which of the following is a deliberate plan of action, guidelines, methods, procedures to guide decisions and achieve rational outcome?

- **Annual objectives**
- Strategies
- Policies
- Goals

Question No: 25

Why do changes in company strategy often require changes in the way an organization is structured?

- ► **Because structure depicts how goals will be established**
- ► Because structure dictates how authorities will be delegated
- ► Because structure dictates how resources will be obtained
- ► Because structure dictates how financial resources are spent

Question No: 26

Which organizational structure is the most simple and economical?

- ► Strategic business unit
- ► **Functional structure**
- ► Divisional structure
- ► Matrix structure

Question No: 27

A divisional structure by geographic area is most appropriate in which of the following situation?

- ► **Organizations have similar branch facilities in dispersed areas**
- ► Organization offers a limited number of products or services
- ► Organization needs strict control over product lines
- ► Organization has to serve a large geographic area

Question No: 28

Which of the following is best identified as being an adaptation of the divisional structure?

- ► Vertical Integration
- ► Strategic business units
- ► Joint venture
- ► **None of the given options (NOT SURE)**

Question No: 29

All of the following fall under the category of restructuring <u>EXCEPT</u>:

- ► Reducing number of employees
- ► **Reducing number of shareholders**
- ► Reducing number of divisions
- ► Reducing number of hierarchical levels

Question No: 30

Which one of the following is Educative change strategy?

- ► Giving orders to subordinates and enforcing those orders
- ► Changing the strategy of educational institutions
- ► Presenting information to convince people of the need for change
- ► **Attempting to convince individuals that the change is for their interest**

Question No: 31

Under Just in Time (JIT) approach, when the new stock is ordered?

- ► When stock comes to an end
- ► **When stock reaches the re-order level**

► On 1st of each month
► At the start of the year

Question No: 32
Which one of the following variables is not directly affected by market segmentation?
► Product
► Place
► Process
► Price

Question No: 33
Which one of the following is an example of product decisions?
► **Brand name**
► Volume discounts
► Distribution channels
► Order processing

Question No: 34
In the low earnings period, which one of the following can endanger stockholders' return and can put in danger the company survival?
► **Too much debt in the capital structure**
► Too much liquid assets in the capital structure
► Too much equity in the capital structure
► Too much tax in the capital structure

Question No: 35
Which element in the projected income statement cannot be forecasted using the percentage-of-sales method?
► Cost of goods sold
► Interest expense
► Selling expense
► **Administrative expense** **(NOT SURE)**

Question No: 36
Which of these is the most common type of budgeting time frame?
► Daily
► Monthly
► Quarterly
► **Annually** **(NOT SURE)**

Question No: 37
Which of the following is <u>NOT</u> accepted for determining a business worth?
► Firm's holdings
► Firm's earnings
► **Firm's return on investment**
► Firm's bringing in to the market

Question No: 38
If technology is changing rapidly and the market is growing slowly then what decision the firm should take regarding R & D?

- ► In-house R&D should be established
- ► Acquisition of a well-established firm in the industry
- ► **R&D investment is risky, so don't take any action**
- ► Obtain R&D expertise on an nonexclusive basis

(R&D is called Research and Development)

Question No: 39
Which of the following is NOT one of the major approaches to R&D?

- ► To be an innovative imitator of successful products
- ► To be a low-cost producer by mass-producing products
- ► **To be a differentiated products manufacturer in industry**
- ► To be the first firm to market new technological products

Question No: 40
What is the appropriate time frame for strategy-evaluation activities?

- ► At the beginning of a problem
- ► **On a continuous basis**
- ► Upon completion of major projects
- ► After the closing of financial year

Question No: 41
XYZ Company has controlled its distributors so that no other firm can access the scarce natural resources available in the country, which are used in XYZ's production. This action is taken in order to reduce which of the following:

- ► The bargaining power of customers
- ► **The bargaining power of suppliers** **(NOT SURE)**
- ► The threat of new entrants
- ► The threat of substitute products

Question No: 42
Which one of the following statements best describes the activity 'marketing and sales' of Porter's supply chain model?

- ► Machining, packaging, assembly, equipment maintenance & testing
- ► **Activities linked with getting buyers to purchase the product**
- ► Activities that maintain and enhance the product's value
- ► Receiving, storing, inventory control & transportation planning

Question No: 43
Outbound logistics includes which one of the following?

- ► Receiving, storing, inventory control, transportation planning
- ► Machining, packaging, assembly, equipment maintenance, testing
- ► **Activities required to get the finished product at the customers**
- ► Activities that maintain and enhance the product's value

Question No: 44

Which of the following statement is TRUE about Inbound Logistics?

► **It includes receiving, storing, inventory control & transportation planning**

► It includes machining, packaging, assembly, equipment maintenance & testing

► It includes activities required to deliver the finished product to the customers' end

► It includes the activities that maintain and enhance the product's value

Question No: 45

All of the following are support activities of Porter's supply chain model EXCEPT:

► Firm Infrastructure

► **Marketing and Sales**

► Technology Development

► Procurement

Question No: 46

To make changes in the organization's management, marketing, finance/accounting and R&D, which one of the following should be focused?

► Revised mission

► **Revised IFE matrix**

► Revised EFE matrix

► Revised EPM matrix

Question No: 47

A revised IFE Matrix should focus on which one of the following?

► Changes in the organization's management, marketing R & D, computer information system and external environment.

► Marketing, finance/accounting, production/operations, R&D and computer information systems strengths and weaknesses.

► **Effectiveness of a firm's strategies in response to key opportunities and threats.**

► Effectiveness of an organization's strategy in pursuing the competitive goals and managerial actions.

Question No: 48

Which of the following statement is TRUE about most of the quantitative criteria of evaluating strategies?

► These are geared to annual objective

► These are geared to short-term objective

► **These are geared to long-term objective**

► These are geared to social objectives

Question No: 49

Which one of the following is NOT correct about financial ratios?

► These are used to compare the firm's performance over different time periods

► These are used to compare the firm's performance relevant to its competitors'

► These are used to compare the firm's performance in relation to industry averages

► **These are used to compare the firm's performance in relation to future trends**

Question No: 50
A good evaluation system must posses various qualities. Which of the following is not a characteristic of a good strategy evaluation system?
► Strategy-evaluation activities must be economical
► Strategy-evaluation activities should be meaningful
► **Strategy-evaluation activities should dominate the decisions**
► Strategy-evaluation activities should provide timely information

Question No: 51
Which of the following enables the firm to create superior value for its customers and superior profits for itself in comparison to its rival firms?
► Competitive advantage
► Comparative advantage
► **Differential advantage**
► Suitable advantage

Question No: 52
Adapting to change confronts an organization's strategic management to which of the following issue(s):
► What kind of business we should be in?
► Are we in the right field?
► Should we reshape our business?
► **All of the given options**

Question No: 53
Which of the following environment includes all those factors which affect the organization and is itself affected by the organization?
► **Task environment**
► Social environment
► External environment
► Internal environment

Question No: 54
Non-financial benefits of strategic management include all of the following EXCEPT:
► Enhanced awareness of threats
► Reduced resistance to change
► **Increase in sales**
► Better awareness of external threats

Question No: 55
Which cell of the TOWS Matrix involves matching internal strengths with external opportunities?
► The WT cell
► **The SO cell**
► The SW cell

► The ST cell

Question No: 56
In the Boston Consulting Group (BCG) growth-share matrix, which strategy in the matrix describes large generation of cash and heavy investment needed to grow and maintain competitive positioning but net cash flow is usually modest?

► Stars
► Dogs
► Cash cows
► **Question marks** **(NOT SURE)**

Question No: 57
Which of the following best describes "Strategy Implementation"?

► It refers to positioning forces before the action
► It focuses on effectiveness
► **It requires coordination among many individuals**
► It requires coordination among few individuals

Question No: 58
Which of the following is NOT a rule of thumb when using product positioning as a strategy-implementation tool?

► "Don't squat between segments"
► "Look for the hole or vacant niche"
► "Try to serve more than one segment with the same strategy"
► **"Don't position yourself in the middle of the map"**

Question No: 59
There are numerous external and internal factors that can prohibit firms from achieving long-term and annual objectives. Which of the following is NOT an external factor?

► Actions by competitors
► Changes in technology
► Changes in demand
► **Ineffective strategies**

Question No: 60
According to "Linneman and Chandran", which of the following permits quick response to change, prevents panic in crisis situations and makes managers more adaptable?

► Forecasting
► **Contingency planning**
► Taking corrective actions
► Environmental scanning

Quiz

1. What can be defined as the art and science of formulating, implementing and evaluating
cross-functional decisions that enable an organization to achieve its objectives?

- Strategy formulation
- Strategy evaluation
- Strategy implementation
- **Strategic management**
- Strategic leading

2. Which of the following is not a cultural product?

- Rites
- **Emotions**
- Rituals
- Sagas
- Symbols

3. Which individuals are most responsible for the success and failure of an organization?

- **Strategists**
- Financial planners
- Personnel directors
- Stakeholders
- Human resource managers

4. Which sector of the economy would be most impacted by technological developments?

- forestry
- **pharmaceuticals**
- textiles
- metals
- paper

5. Long-term objectives should be all of the following except:

- measurable.
- **continually changing.**
- reasonable.
- challenging.
- consistent.

6. What are guides to decision making?

- laws

- rules
- **policies**
- procedures
- goals

7. According to Greenley, strategic management offers all of these benefits *except* that

- it provides an objective view of management problems.
- it creates a framework for internal communication among personnel.
- it encourages a favorable attitude toward change.
- **it maximizes the effects of adverse conditions and changes.**
- it gives a degree of discipline and formality to the management of a business.

8. The vision and mission statement can often be found

- in the SEC report.
- **in annual reports.**
- on customer receipts.
- on supplier invoices.
- on community news bulletins

9. Which group would be classified as a stakeholder?

- Communities
- Banks
- Suppliers
- Employees
- *All of these*

10. The process of performing an external audit needs to include:

- only top level managers, as it's a planning function.
- **as many managers and employees as possible.**
- primarily front-line supervisors
- between 15 to 20 managers for it to be valid
- stockholders and external government agencies

Quiz

Choose the correct option

1. All of the following are cooperative arrangements *except:*

- R&D partnerships.

- Joint-bidding consortia.
- Cross-licensing agreements.
- Cross-manufacturing agreements.
- **Marketing plans.**

2. Strategy analysis and choice largely involves making _____ decisions based on _____ information.

- Long-term; Short-term
- **Subjective; Objective**
- Short-term; Long-term
- Subjective; Short-term
- Objective; Subjective

3. Which stage of the strategy formulation framework contains the Internal-Factor Evaluation Matrix?

- **Input stage**
- Analysis stage
- Matching stage
- Decision stage
- Output stage

4. Which strategies aim at improving internal weaknesses by taking advantage of external opportunities?

- SO
- **WO**
- SW
- ST
- WT

5. How many cells are in a SWOT Matrix?

- Two
- Four
- Six
- Eight
- **Nine**

6. What are two external dimensions of the SPACE Matrix?

- **Environmental stability and industry strength**
- Environmental stability and competitive advantage
- Industry strength and competitive advantage
- Competitive advantage and financial strength
- Financial strength and industry strength

7. In the SPACE analysis, what does a (+6, +3) strategy profile portray?

- **A strong industry**
- An unstable environment
- A stable environment
- A weak industry
- A weak financial position

8. Selling all of a company's assets in parts for their tangible worth is called

- Joint venture.
- Divestiture.
- Concentric diversification.
- **Liquidation.**
- Unrelated integration.

9. Which stage of the strategy-formulation framework involves the Quantitative Strategic Planning Matrix?

- Stage 1
- Stage 2
- **Stage 3**
- Stage 4
- Stage 5

10. Which strategy should be implemented when a division is responsible for an organization's overall poor performance?

- Backward integration
- **Divestiture**
- Forward integration
- Cost leadership
- Related diversification

QUIZ

Choose the correct option.

1. What analytical tool has four quadrants based on two dimensions: competitive position and market growth?

   - Competitive Profile Matrix
   - Internal-External Matrix
   - SPACE Matrix
   - **Grand Strategy Matrix**
   - QSPM.

2. For companies located in Quadrant III of the Grand Strategy Matrix, the first strategy recommended is

   - **Extensive cost and asset reduction.**
   - Asset expansion.
   - Employee expansion.
   - Immediate liquidation of assets.
   - Divestiture.

3. Which of these is a limitation of QSPM?

   - Only a few strategies can be evaluated simultaneously.
   - The cost of doing the analysis
   - **Intuitive judgments and educated guesses are required.**
   - Sets of strategies must be examined in reverse order.
   - It requires equal participation from everyone.

4. Which of the following is not true about objectives?

   - They should be communicated throughout the organization.
   - They should have an appropriate time dimension.
   - **They should incorporate policies.**
   - They should be measurable.
   - They should be consistent.

5. _____ is not a major factor that commonly prohibits effective resource allocation.

- **Under protection of resources**
- Organizational politics
- Vague strategy targets
- Reluctance to take risks
- Lack of sufficient knowledge

6. Restructuring is also referred to as

- Starting over.
- **Delayering.**
- Diversifying.
- Job security.
- Integrating.

7. The primary benefit sought from restructuring is

- Employee involvement.
- **Cost reduction.**
- Increased morale.
- Increased number of hierarchical levels in the organization.
- Increased innovation.

8. What pay strategy requires employees or departments to establish performance targets, such as
"if actual results exceed objectives then all members get bonuses."

- Profit sharing
- Bonus system
- Salary
- **Gain sharing**
- Hourly wage system

9. Although Quadrant _____ companies are growing, according to the Grand Strategy Matrix,
they are unable to compete effectively, and they need to determine why the firm's current
approach is ineffective and how the company can best change to improve its

competitiveness.

- I
- **II**
- III
- IV
- V

10. The top row of a QSPM consists of alternative strategies derived from all of these *except:*

- Grand Strategy Matrix.
- BCG Matrix.
- Space Matrix.
- **CPM Matrix.**
- IE Matrix

QUIZ

1. **The final stage in strategic management is strategy implementation**.

   True
   False

2. **Anything the firm does especially well compare to rival firms could be considered a competitive advantage**.

   True
   False

3. **In a multidivisional firm, objectives should be established for the overall company and not for each division.**

   True
   False

4. **Nonprofit organizations have less need for strategic management because they are not interested in making a profit.**

True
False

5. **The first step for using Porter's Five-Force Model is to evaluate the relative strength of each competitive force.**

   True
   False

6. **Bargaining power of consumers is usually the most powerful of Porter's five competitive forces.**

   True
   False

7. **Significant barriers to entry are not always sufficient to keep some new firms from entering industries with higher-quality products, lower prices and substantial marketing resources.**

   True
   False

8. **In an EFE Matrix, opportunities often receive higher weights than threats, but threats too can receive high weights if they are especially severe or threatening.**

   True
   False

9. **The process of performing an internal audit, compared to the external audit, provides more opportunity for participants to understand how their jobs, departments and divisions fit into the whole organization.**

   True
   False

10. **Planning should be performed mostly by middle management and then presented to top management for analysis and approval.**

    True
    False

11. **All of these are pitfalls an organization should avoid in strategic planning *except*:**
    - **Using plans as a standard for measuring performance.**
    - Using strategic planning to gain control over decisions and resources.
    - Failing to involve key employees in all phases of planning.
    - Too hastily moving from mission development to strategy formulation.

12. **Which of the following statements is false?**
    - Open-mindedness is an important guideline for effective strategic management.
    - **Strategic management must become a self-perpetuating socialist mechanism.**

- No organization has unlimited resources.
- Strategic decisions require trade-offs.

13. Which of these business actions is (are) always considered to be unethical?

- poor product or service safety
- using nonunion labor in a union shop
- dumping flawed products in a foreign market
- **all of the above**

14. _____ are organizations that conduct business operations across national borders.

- Domestic firms
- **Multinational corporations**
- Parent companies
- Government-backed companies

15. What category of ratios includes return on total assets and return on stockholders' equity?

- leverage
- activity
- **profitability**
- growth

16. Which of the following is not a key question that can reveal internal strengths and weaknesses of the marketing department?

- Does the firm have an effective sales organization?
- Are markets segmented effectively?
- Are the firm's products and services priced appropriately?
- **Does the firm have good liquidity?**

17. What marketing function includes test marketing?

- selling products/services
- pricing
- customer analysis
- **product/service planning**

18. _____ is not considered to be a function of marketing.

- **Market segmentation**
- Marketing research
- Customer analysis
- Opportunity analysis

19. Opportunity analysis is one of the basic functions of :

- **Marketing.**
- Management.
- Computer information systems.
- Production/operations.

20. What are historical narratives describing the unique accomplishments of a group and its leaders, usually in heroic terms.

- rites
- **sagas**
- stories
- myths

QUIZ

1. Which of the following is not a stage of strategy formulation techniques?

- Formulation Framework
- Matching stage
- **External factor evaluation**
- Decision stage

2. ST Strategies is an important strategy to

- Match weakness with opportunities of the firm
- **Overcome external threats**
- Obtain benefit form its resources
- Overcome its weakness and reducing threats

3. Strategic Position and Action Evaluation Matrix is used in

- Formulation Framework
- **Matching stage**
- External factor evaluation
- Decision stage

4. Cash cows are always in

- Introductory industry
- Growing industry
- **Mature industry**
- Declining industry

5. In BCG matrix, the reason for choosing relative market share, rather than just profits, is that

- It carries more information than just cash flow
- It shows where the brand is positioned against its main competitors
- It indicates where it might be likely to go in the future
- **All of the mentioned options**

6. **Those firms must make some drastic changes quickly to avoid further demise and possible liquidation that fall in_____ of grand strategy matrix**
   - Qurdant-1
   - Qurdant-2
   - **Qurdant-3**
   - Qurdant-4

7. **Strategy-formulation concepts and tools**
   - **Do not differ greatly for different size and type of organizations**
   - Differ greatly for different size and type of organizations
   - Do not differ greatly for profit or nonprofit organizations but differ in small and large organizations
   - None of the mentioned options

8. **Annual objectives**
   - Are not critical to success
   - **Serve as guidelines for action, directing and channeling efforts and activities of organization members**
   - Are not important for employee motivation and identification
   - Do not provide a basis for organizational design

9. **Annual objectives**
   - Need not to be consistent
   - Should be easily achievable
   - **Should be measurable**
   - Should be confidential and not to be communicated throughout the organization

10. **Which of the following resources is used by all organizations to achieve desired objectives?**
    - Financial resources,
    - Physical resources,
    - Human resources
    - **All of the mentioned options**

11. **Matching Stage consists of the EFE Matrix, the IFE Matrix, and the Competitive Profile Matrix.**

True
False

12. **Strengths are external conditions that are helpful to the achievement of the objective.**

True
False

13. **All nine techniques included in the strategy-formulation framework require integration of intuition and analysis.**

True
False

14. **Many businesses fall right in the middle of the Grand strategy matrix and thus are not easily classified**

True
False

15. **Only a diversified company with a balanced portfolio can use its strengths to truly capitalize on its growth opportunities.**
    True
    False

16. **Viewing every business as a star, cash cow, dog, or question mark is overly complicated.**
    True
    False

17. **Many companies repeatedly fail to truly motivate their people to work with enthusiasm**
    True
    False

18. **Strategy implementation varies substantially among different types and sizes of organizations.**
    True
    False

19. **Annual objectives, stated in terms of profitability, growth, and market share by business segment, geographic area, customer groups, and product are not common in organizations.**
    True
    False

20. **Resource allocation is a major management activity that allows for strategy execution**
    True
    False

QUIZ

Fill in the blanks with suitable words:

1. Strategy implementation is often called the _____ of the strategic management. **(Action stage)**

2. Based on past experiences of judgment and feelings, most people recognize that _____ is essential to making good strategic decisions. **(Intuition)**

3. The process of conducting research, gathering and assimilating external information is sometime called _____ or _____. **(Environmental scanning or industry analysis)**

4. _____ refers to the extent that participants, responsibilities, authorities, duties, and approaches are specified. **(Formality)**

5. _____ is the act of strengthening employees sense of effectiveness by encouraging and rewarding them to participate in decision making and to exercise initiative and imaginations. **(Empowerment)**

Pick the best choice from the sentences given below:

Strategic management is

- A pure science.
- Based mainly on intuition.
- Needed mainly when organizational performance falls.
- **Based on the use of quantitative and qualitative information.**

Business week reports that firms using mission statements have a _____ return on certain financial measures than those without such statements.

- **30%**
- 35%
- 40%
- 45%

What is the best time to develop a mission statement?

- Before a business is opened
- **When the firm is successful**
- When the firm is in financial trouble
- When the firm is in legal trouble

Which of these basic questions should a vision statement answer?

- What is our business?
- Who are our employees?
- Why do we exist?
- **What do we want to become?**

_____ is not part of an external audit.

- Analyzing competitors
- **Analyzing financial ratios**

- Analyzing available technologies
- Studying the political environment

QUIZ

Tick the appropriate answer:

1). Strategic management process activate in the sequence of _____

- Environmental scanning, Strategy formulation, Implementation, control and evaluation
- Strategy formulation, Environmental scanning, Implementation, control and evaluation
- Environmental scanning, Strategy Implementation, formulation, control and evaluation
- Strategy formulation, Implementation, control, evaluation, Environmental scanning

2). KAPKAL Power's interested to achieve a 10 percent return on equity (ROE) in their core electric utility, 14 percent ROE on water resource operations, and 15 percent ROE on support businesses. It is _____

- Mission
- Strategy
- Objective
- Policy

3). "A possible and desirable future state of an organization" is called:

- Mission
- Vision
- Strategy implementation
- None of above

4). “Walls” ice cream purchase “Polka” in order to capture the market. Such kind of integration is called:

- Forward Integration
- Backward Integration
- Horizontal Integration
- Product Development

5). “To improve economic strength of society and function as a good corporate citizen on a local, state, and national basis in all countries in which we do business”. This is a mission statement that contains:

- Self-concept
- Economic concern
- Products or Services
- Concern for Public Image

6). Strategic-management audit is known as:

- Environmental scanning
- Strategy formulation
- Strategy control
- Strategy evaluation

7). Forecasting tools can be broadly categorized into two groups. Those are:

- Qualitative, Operational
- Quantitative, Operational
- Qualitative, Quantitative
- Regression and time series analysis

8). _____ identifies a firm's major competitors and their particular strengths and weaknesses in relation to a sample firm's strategic position.

- Competitive Profile Matrix
- External Factor Evaluation matrix
- Internal Factor Evaluation Matrix
- Boston consulting group matrix

9). Organizing means an identifiable group of people contributing their efforts towards the attainment of same goal. It is important at the time of:

- Environmental scanning
- Strategy formulation
- Strategy Implementation
- Strategy evaluation

10). _____ involves assessing the costs, benefits, and risks associated with marketing decisions.

- Customer analysis
- Opportunity analysis
- Marketing Research
- Product and Service Planning

QUIZ

1). Competitive profile matrix include in _____ of Strategy-Formulation Framework.

- **Stage-1**
- Stage-2
- Stage-3
- Stage-4

2). The matching stage of the strategy-formulation framework consists of _____techniques.

- Two
- Three
- Four
- **Five**

3). Decision stage of Strategy-Formulation Framework includes a matrix_____.

- BCG Matrix
- IE Matrix
- SPAC E matrix
- **None of given option**

4). A strong financial position utilizes to improve the working condition of the firm; such strategy is called _____.

- SO Strategy
- **SW Strategy**
- TW Strategy
- None of given option

5). *WO Strategies* aim at improving internal _____ by taking advantage of external _____

- **Weakness; Opportunities**
- Weakness; Operations
- Wealth; Opportunities
- None of given option

6). "SPACE" matrix stands for:

- **Strategic Position and Action Evaluation**
- Strategic Partner and Action Evaluation
- Strategic Phase and Action Evaluation
- Strategic Position and Academic Evaluation

7). In Space Matrix internal strategic position divided into:

- **Financial strength; Competitive advantages**
- Financial strength; Environmental stability
- Environmental Stability; Industry Strength
- Competitive advantages; Industry Strength

8). "Capital intensity" with the reference of SPACE matrix is:

- Financial Strength (FS)
- Environmental Stability (ES)
- **Industry Strength (IS)**
- Competitive Advantage (CA)

9). Space Matrix contains four quadrants framework, the upper left quadrant contain _____ strategy.

- Aggressive
- **Conservative**
- Defensive
- Competitive

10) By using the given table what will be the correct average score of industrial strength in **"SPACE"** matrix?

Industry Strength (IS)	**Rating**
Demand and supply factors	5
Profit potential	3
Large amount of capital	2
Consistently increasing revenue	4
Resource utilization	3

- (3+2+4) / 3
- **(5+3+3) / 3**
- (5+3+2+4) / 4
- (5+4) / 2

QUIZ

Choose the correct option.

1. Hold and maintain region in IE matrix include _____cells

- **III, V, or VII**
- V, or VII
- II, V, or VII
- I, II, or IV

2. Grand strategy matrix all organization divides into _____ quadrants
- Two
- Three
- **Four**
- Five

3. Qurdant-2 in Grand strategy matrix contains that company's having :

- Strong competitive situation and rapid market growth
- Weak competitive situation and slow market growth
- Strong competitive situation and slow market growth.
- **Weak competitive situation and rapid market growth.**

4. Assign weights to each key external and internal factor in QSPM which always equal to _____.

- Hundred
- **One**
- Ten
- None of given option

5. Most companies have strategies, but according to recent studies, between **70**% and **90**% of organizations that have formulated strategies fail to execute them.

- **70% and 90%**
- 50% and 90%
- 30% and 50%
- 60% and 69%

Fill in the blanks

1. *The Internal-External (IE) Matrix consists of **nine** cells.*

2. On the *x*-axis of the IE Matrix, an IFE total weighted score of 1.0 to 1.99 represents a weak internal position; a score of 2.0 to 2.99 is considered **average**; and a score of 3.0 to 4.0 is **strong**.

3. Grand Strategy based on two major dimensions **Market growth** and **Competitive position**

4. QSPM technique objectively indicates which alternative strategies are best.

5. Implementation is preliminary an **Operational** process.

QUIZ

Choose the correct option.

A firm desire to increase profit at least 15% every year for the foreseeable future is _____ objective.

- Corporate level
- Functional level
- Overall organizational
- **Both a and b**

Disagreement between two or more parties on one or more issues is a _____.

- **Conflict**
- Stress
- Functional stress
- None of given option

Medium-size firms tend to be divisionally structured

- Divisionally
- Decentralized
- Centralized
- **Both a and b**

The _____ has its own business strategy, objectives and competitors and these are often differ from parent company.

- **Strategic Business Unit structure**
- Matrix structure
- Divisional structure
- None of given option

_____ create a sense of "Self organization "through

- Gain sharing
- Profit sharing
- **Employee stock ownership plan**
- Non of given option

1. **Just in time** is a process which is calculated by deducting Inventory from production.
2. **Market segmentation** is the process in marketing of grouping a market into smaller subgroups.
3. Education is a **Demographic** segmentation.
4. **EPS/EBIT analysis** helps in making capital financing decisions needed to implement strategies.
5. How to obtain and spend funds exhibits in a document known as **financial budget**.

MGT 603 LATEST SOLVED QUIZZ .

1 . Din Mohammad, a farmer sells his crops at the local market rather than to a distribution center. This action of Din Mohammad comes under
which of the following?
Backward integration
Product development

Forward integration
Horizontal integration

2. Theoretical framework is trying to develop a _____ model of our study.
Select correct option:
Functional
Conceptual
Operational
Practical

3 .Which of the following are two negative-rated dimensions on SPACE Matrix?
Select correct option:
FS and CA
CA and ES
FS and IS
IS and ES

4. Where usage rate of present customers of the company can be increased significantly and the current markets are not saturated, which
strategy would be effective for the company to follow?
Select correct option:
Market Penetration
Product Development
Market Development
Retrenchment

5. In Competitive Profile Matrix, the rating 4 indicates what?
Select correct option:
Major weakness
Major strength
Minor strength
Minor weakness

rating 1 represents major weakness, rating 2 shows minor weakness. Similarly, rating 3 indicates minor strength whereas rating 4 shows
major strength. It means that weakness must receive 1 or 2 rating while strength must get 3 or 4 rating.

6 . A chance for advancement, progress or profit prevailing in external environment of a company is known as:
Select correct option:
Strength
Weakness
Opportunity
Threat

7. When the Chief Executive of a chain of pharmacies decided to sell off or close some of the locations that were not profitable, he was
performing which of the management function?
Select correct option:
Leading
Planning
Controlling
Organizing

8. Taking any corrective action is a part of controlling function.
Internal analysis involves gathering and analyzing the information about all areas of a firm EXPECT:
Research nad development
Management information system
Marketing
Competitors
9. Internal strengths and weaknesses that can significantly benefit or harm an organization may include all of the following EXCEPT:

Production/ operations
Research & development

E-commerce
Management information system
Internal strengths and internal weaknesses are an organization's controllable activities that are performed especially well or poorly. They arise
in the management, marketing, finance/accounting, production/operations, research and development, and computer information systems activities of a business. Identifying and evaluating organizational strengths and weaknesses in the functional areas of a business is an essential strategic-management activity. Organizations strive to pursue strategies that capitalize on internal strengths and improve on internal weaknesses.

10. Strategic management integrates all of the following areas EXCEPT:
Management
Marketing
Research and development
Human resource management

11. Which management function includes breaking tasks into jobs, combining jobs to form departments and delegating authority?
Motivating
Staffing
Organizing
Planning

12. All of the following statements are true about a firm's mission statement EXPECT:
A mission statement does not directly contribute positively to financial performance.
A mission statement directly contributes positively to financial performance.
A mission statement should not provide useful criteria for selecting among alternative strategies.

13. Primary reason to develop a mission statement is not to attract the customers

A firm should practice Joint Venture strategy in which of the following cases?
When the SPACE matrix vector lies in defensive quadrant
When the SPACE matrix vector lies in aggressive quadrant
When the SPACE matrix vector lies in conservative quadrant
When the SPACE matrix vector lies in competitive quadrant

14. Assessment of competitive rivalry does NOT include an understanding of which of the following?
Mergers and acquisition in industry
Market growth rates
Exit barriers and operational efficiency of competitor
The management structure of an organization

15. What is the range for a firm's total weighted score in an External Factor Evaluation Matrix?
0 to 5
0 to 4
1 to 5
1 to 4
total weighted score for the organization, Highest possible weighted score for the organization is 4.0; the lowest, 1.0. Average = 2.5

16. All of the following would be considered as opportunities for a business, EXCEPT:
Select correct option:
Removal of international trade barriers
Emergence of unfulfilled customer need
Emergence of substitute products
Loosening of regulations

17. A firm’s division with a high relative market share position in a low-growth industry can be referred to which of the following category?
Select correct option:
Star
Cash cow
Question mark
Dog

18. SPACE matrix stands for:
Select correct option:
Strategic position and action evaluation matrix
Strategic power and commerce evaluation matrix
Strategy performance and activity evaluation matrix
Strategy position and competitiveness evaluation matrix
1. TOWS Matrix (Threats-Opportunities-Weaknesses-Strengths)
2. SPACE Matrix (Strategic Position and Action Evaluation)
3. BCG Matrix (Boston Consulting Group)
4. IE Matrix (Internal and external)5. GS Matrix (Grand Strategy)

19. Long-term objectives are needed at which level(s) of the organization?
Select correct option:
Corporate level
Divisional level
Functional level
All of the given options
. Long term objectives are needed at the corporate, divisional and functional levels of an organization.

20. Strategy formulation techniques can be integrated into how many stages of decision making framework?
Select correct option:
Two
Three
Four

Five

21. All of the following situations are conducive to market development EXCEPT:
When new untapped or unsaturated markets exist
When new channels of distribution are expensive
When an organization has excess production capacity
When an organization's basic industry is becoming rapidly global

22. Lack of access to key distribution channel indicates which of the following?
Select correct option:
Strength
Weakness
Opportunity
Threat

23. ABC firm is facing high production costs in Pakistan due to expensive raw material. The firm is formulating a strategy of capturing European
market because of low priced raw material and high demand of their products in Europe. Keeping in view the mentioned situation which of the
following strategies ABC firm must pursue?
WO Strategy
SW Strategy
ST Strategy
WT Strategy

24. Which one of the followings best describes this statement; "The conditions that a company must satisfy in order to be able to enter an
industry"?
Economies of scale
Barriers to entry
Differentiation

Competitive environment

25. Which strategy should an organization use if it competes in a no-growth or a slow-growth industry?
Related diversification
Backward integration
Unrelated diversification
Retrenchment
that company's weak competitive situation and slow market growth. The firms fall in this quadrant compete in slow-growth industries and have weak competitive positions. These firms must make some drastic changes quickly to avoid further demise and possible liquidation.

26. Extensive cost and asset reduction (retrenchment) should be pursued
Defensive strategies include all of the following EXCEPT:
Select correct option:
Retrenchment
Acquisition
Divestiture
Liquidation

27. Defensive Strategies In addition to integrative, intensive, and diversification strategies, organizations also could pursue Retrenchment, divestiture, or **liquidation.**
Selling all of a company's assets in parts for their tangible worth is known as:
Select correct option:
Joint venture
Divestiture Liquidation
Integration
Selling all of a company's assets, in parts, for their tangible worth
Selling all of a company's assets, in parts, for their tangible worth is called liquidation. Liquidation is recognition of defeat and, consequently, can be an emotionally difficult strategy. However, it

may be better to cease operating than to continue losing large sums of money.

28. Which of the following stages of strategy formulation framework involves developing Internal-External (IE) Matrix?
Select correct option:
Input stage
Output stage
Matching stage
Decision stage

29. Input stage of strategy-formulation framework includes developing which of the following set of strategies?
Select correct option:
IFE, EFE and QSPM Matrix
IFE, IE and BCG Matrix
IFE, CPM and EFE Matrix
EFE, IE and CPM Matrix

30. ABC company is competing in an industry where the growth rate of that industry from year to year has reached or is close to zero, ABC is
operating in which industry?
Select correct option:
Growing industry
Emerging industry
Mature industry
Declining industry

31. Which of the following strategy generally entails large research and development expenditures?
Select correct option:
Market penetration
Retrenchment
Forward integration
Product development

Product Development
Product development is a strategy that seeks increased sales by improving or modifying present products or services. Product development
usually entails large research and development expenditures

Question # 1 of 20 (Start time: 04:17:07 PM) Total Marks: 1
Which matrices are also known as Portfolio matrices?
Select correct option:

SPACE and BCG matrix
IE and BCG matrix
TOWS and IE matrix
SPACE and TOWS matrix

Question # 2 of 20 (Start time: 04:18:15 PM) Total Marks: 1
According to Porter, which strategy offers products or services to a small range of customers at the lowest price available on the market?
Select correct option:

Low cost
Best value
Cost focus
Differentiation

Question # 3 of 20 (Start time: 04:19:01 PM) Total Marks: 1
Which one of the following is NOT a major region of IE matrix?
Select correct option:

Grow and build
Grow and maintain
Hold and maintain
Harvest or divest

Question # 4 of 20 (Start time: 04:19:41 PM) Total Marks: 1
While evaluating a strategy, Corrective actions are almost always needed EXCEPT:
Select correct option:

When external and internal factors have not significantly changed
When the firm is not progressing satisfactorily toward objectives
When the firm has not achieved the stated organizational goals
When there are differences between desired results and achieved results

Question # 5 of 20 (Start time: 04:20:21 PM) Total Marks: 1
Principles of conduct that guide decision-making are known as:
Select correct option:

Human rights
Business ethics
The constitution
Social responsibility

Question # 6 of 20 (Start time: 04:21:12 PM) Total Marks: 1
"The process of dividing markets into groups of consumers who are similar to each other". Which of the following terms describes the statement?
Select correct option:

Positioning
Segmentation
Marketing
Targeting

Question # 7 of 20 (Start time: 04:21:52 PM) Total Marks: 1
Which of the following directs at developing new products before competitors do at improving product quality or at improving manufacturing processes to reduce costs?
Select correct option:

Marketing
Opportunity analysis
Research and development
Management

Question # 8 of 20 (Start time: 04:22:24 PM) Total Marks: 1
Just in Time process works on series of signals which are called:
Select correct option:

Kaizan
Kanban
Kansan
None of the given options

Question # 9 of 20 (Start time: 04:22:53 PM) Total Marks: 1
As managers move up the organization, they perform which of the management function more?
Select correct option:

Leading
Controlling
Organizing
Planning

Question # 10 of 20 (Start time: 04:23:48 PM) Total Marks: 1
Which of the following is NOT a decision that may require finance/accounting policies?
Select correct option:

To extend the time of accounts receivable
To determine an appropriate dividend payout ratio
To use LIFO, FIFO, or a market-value accounting approach
To determine the amount of product diversification

Question # 11 of 20 (Start time: 04:24:23 PM) Total Marks: 1
Which of the following is a deliberate plan of action, guidelines, methods, procedures to guide decisions and achieve rational outcome?
Select correct option:

Annual objectives
Strategies
Policies
Goals

Question # 12 of 20 (Start time: 04:24:51 PM) Total Marks: 1
In BCG matrix, the size of circle corresponding to a division represents what?
Select correct option:

Relative market share of that division
Financial strength of that division
Revenue genet rated by that division
Relative market share of the division

Question # 13 of 20 (Start time: 04:25:28 PM) Total Marks: 1
All of the following are the outputs of a system EXCEPT:
Select correct option:

Tables
Charts
Data
Graphs

Question # 14 of 20 (Start time: 04:25:57 PM) Total Marks: 1
Which marketing function includes test marketing?
Select correct option:

Selling products/services
Customer analysis
Product/service planning
Distributing

Question # 15 of 20 (Start time: 04:26:40 PM) Total Marks: 1
Exclusive access to high grade natural resources is an example of which of the following?

Select correct option:

Strength
Weakness
Opportunity
Threat

Question # 16 of 20 (Start time: 04:26:54 PM) Total Marks: 1
Which of the following is the decision support role of management information system?
Select correct option:

Processing marketing records into marketing plans
Allowing users to ask "What if" questions
Recording and storing such human resource records
Processing operations records into production schedules

Question # 17 of 20 (Start time: 04:27:53 PM) Total Marks: 1
Which of the following arise when a company can take advantage of conditions in its environment to formulate and implement strategies that enable it to become more profitable?
Select correct option:

Strengths
Opportunities
Weaknesses
Threats

Question # 18 of 20 (Start time: 04:28:15 PM) Total Marks: 1
Which one of the following dimensions is NOT a recommended component of a mission statement?
Select correct option:

Self-concept
Markets
Strategies
Customers

Question # 19 of 20 (Start time: 04:28:57 PM) Total Marks: 1
The in-house R & D is a preferred solution in which of the following situation:
Select correct option:

Technological progress is slow and market growth is moderate
Technology is changing rapidly and market is growing slowly
If technology is changing slowly and market is growing quickly
If both, technological progress and market growth rate are fast

Question # 20 of 20 (Start time: 04:29:28 PM) Total Marks: 1
All of the following are the examples of the actions that can be taken in strategy implementation stage EXCEPT:
Select correct option:

Changing organization's pricing strategy
Developing new employee benefits
Transferring managers among divisions
Taking corrective action when needed

Question # 1 of 15 (Start time: 08:34:41 PM) Total Marks: 1
Firms in quadrant-IV of grand strategy matrix have which of the following characteristics?
Select correct option:

Rapid market growth and strong competitive position
Rapid market growth and weak competitive position
Slow market growth and strong competitive position
Slow market growth and weak competitive position

Question # 2 of 15 (Start time: 08:35:29 PM) Total Marks: 1
Assigning rating 3 to an internal factor in IFE matrix indicates what?
Select correct option:

Major weakness
Minor weakness
Minor strength
Major strength

Question # 3 of 15 (Start time: 08:36:28 PM) Total Marks: 1
Which one of the following dimensions is NOT a recommended component of a mission statement?
Select correct option:

Self-concept
Markets
Strategies
Customers

Question # 4 of 15 (Start time: 08:37:04 PM) Total Marks: 1
All of the following are used as a base for market segmentation EXCEPT:
Select correct option:

Socioeconomic
Geographic
Demographic
Psychographic

Question # 5 of 15 (Start time: 08:37:43 PM) Total Marks: 1
Majority of the businesses follow which of the following organizational structure?
Select correct option:

Strategic business unit
Functional structure
Divisional structure
Matrix structure

Question # 6 of 15 (Start time: 08:38:28 PM) Total Marks: 1
In the SPACE analysis, what does (+6, +3) strategy profile portray?
Select correct option:

A strong industry with strong financial strength
A stable environment with strong financial strength
A stable environment for highly competitive firm
A strong industry operating in stable environment

Question # 7 of 15 (Start time: 08:39:59 PM) Total Marks: 1
Which of the following statement is referred to 'Price fluctuation'?
Select correct option:

Decrease in prices
Increase in prices
Fluctuation in the prices of a particular commodity
Fluctuation in general price level

Question # 8 of 15 (Start time: 08:40:23 PM) Total Marks: 1
Long-term objectives are needed at which level(s) of the organization?
Select correct option:

Corporate level
Divisional level
Functional level
All of the given options

Question # 9 of 15 (Start time: 08:40:59 PM) Total Marks: 1
For the past four years the ABC Corporation has been planning to expand its operations in order to reach out to the world market. Essentially, the ABC Corporation desires to do what?
Select correct option:

Become an online business
Become a brick-n-mortar business
Embrace globalization
Become a click-n-mortar business

Question # 10 of 15 (Start time: 08:41:43 PM) Total Marks: 1
Establishing and implementing ways of making things work is known as:
Select correct option:

Planning

Organizing
Leading
Controlling

Question # 11 of 15 (Start time: 08:42:35 PM) Total Marks: 1
All of the following are functional support roles of Management Information System EXCEPT:
Select correct option:

Recording and storing accounting records
Recording and storing inventory data
Recording and storing business intelligence data
The enhanced ability to explore "what if"

Question # 12 of 15 (Start time: 08:43:05 PM) Total Marks: 1
Strategy formulation stage includes all of the following EXCEPT:
Select correct option:

Vision and mission
Strength and weakness
Opportunities and threats
Annual objectives

Question # 13 of 15 (Start time: 08:43:52 PM) Total Marks: 1
During which stage of strategic management, firm's specific internal strengths and weaknesses are determined?
Select correct option:

Formulation
Implementation
Evaluation
Feedback

Question # 14 of 15 (Start time: 08:44:21 PM) Total Marks: 1
The SPACE matrix of XYZ company shows that the coordinates of its directional vector are (-5, -5). What strategy would you recommend for the ABC Company?
Select correct option:

Concentric diversification
Market development
Backward integration
Joint venture

Question # 15 of 15 (Start time: 08:45:14 PM) Total Marks: 1
Which one of the following is NOT a basic mission of a competitive intelligence program?
Select correct option:

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

Question # 1 of 15 (Start time: 08:49:07 PM) Total Marks: 1
According to Porter, which strategy offers products or services to a small range of customers at the lowest price available on the market?
Select correct option:
Low cost
Best value
Cost focus
Differentiation

Question # 2 of 15 (Start time: 08:49:48 PM) Total Marks: 1
All of the following are the indicators of industry strength for an organization EXCEPT:
Select correct option:
Financial stability
Ease of entry into the market
Geographic and product freedom
Control over suppliers

Question # 3 of 15 (Start time: 08:50:40 PM) Total Marks: 1
The strategy embraced by Ahmad Bros. is to address the needs of a very selected and specialized market segment. That is most likely to engage in which one of the following types of strategy?
Select correct option:
Differentiation strategy
Generic strategy
Focus strategy
Low cost strategy
Question # 4 of 15 (Start time: 08:51:22 PM) Total Marks: 1
Ethnic balance is affected due to which of the following?
Select correct option:
Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

Question # 5 of 15 (Start time: 08:51:56 PM) Total Marks: 1
All of the following are examples of marketing decisions that require policies EXCEPT:
Select correct option:
To be a market leader or follower
Whether to advertise online or not
Either to offer a complete or limited warranty
To use billboards for outdoor advertising

Question # 6 of 15 (Start time: 08:52:35 PM) Total Marks: 1
A system of several rites connected with a single occasion or event is known as:
Select correct option:
Myth
Ceremonial
Saga
Legend

Question # 7 of 15 (Start time: 08:53:04 PM) Total Marks: 1
Test marketing is commonly applied by which of the following companies?
Select correct option:
Industrial goods companies
Consumer goods companies
Public sector companies
Private sector companies

Question # 8 of 15 (Start time: 08:53:44 PM) Total Marks: 1
Business units that have low market share and are operating in slow-growing industry should choose all of the following EXCEPT:
Select correct option:
Distribution efficiency
Production efficiency
New investments
Product innovation

Question # 9 of 15 (Start time: 08:54:12 PM) Total Marks: 1
The purpose of an external audit is to prepare a list of which of the following?
Select correct option:
Opportunities and weaknesses
Threats and strengths
Opportunities and threats
Strengths and weaknesses

Question # 10 of 15 (Start time: 08:54:50 PM) Total Marks: 1
What strategies are appropriate for the divisions that fall in grow and build region of IE matrix?
Select correct option:
Defensive and integrative strategies
Intensive and integrative strategies
Diversification and intensive strategies
Defensive and diversification strategies
Question # 11 of 15 (Start time: 08:55:44 PM) Total Marks: 1
Adding new, unrelated products or services is called:
Select correct option:
Forward integration
Backward integration
Conglomerate diversification
Concentric diversification

Question # 12 of 15 (Start time: 08:56:24 PM) Total Marks: 1
Which one of the following is the organizational structure that most of the medium-size organizations follow?
Select correct option:
Divisional structure
Strategic business unit
Functional structure
Matrix structure

Question # 13 of 15 (Start time: 08:57:07 PM) Total Marks: 1
Which of the following is the first step in the controlling function of management?
Select correct option:
Take corrective actions
Restrict breaks employees take
Evaluate expense reports
Establish performance standards

Question # 14 of 15 (Start time: 08:57:55 PM) Total Marks: 1
Which of the following factors can predict the stability or non-stability of the environment, the firm is operating in?
Select correct option:
Rate of inflation
Ease of exit from market
Customer loyalty
Financial stability

Question # 15 of 15 (Start time: 08:58:33 PM) Total Marks: 1
Which of the followings best describes the Horizontal integration?
Select correct option:
A firm takes over a supplier
A firm takes over a distributor
A firm takes over a competitor
A firm takes over a manufacturer

Question # 1 of 15 (Start time: 09:02:21 PM) Total Marks: 1
Which of these is an attractive strategy for a cash cow division?
Select correct option:
Concentric diversification
Horizontal integration
Conglomerate diversification
Backward integration
Question # 2 of 15 (Start time: 09:03:20 PM) Total Marks: 1
All of the following are the types of cooperative arrangements EXCEPT:
Select correct option:
R&D partnerships
Joint-bidding consortia

Cross-licensing agreements
Diversification
Question # 3 of 15 (Start time: 09:04:34 PM) Total Marks: 1
Which of the following is the first step in developing QSPM?
Select correct option:
Developing a list of the firm's key external and internal factors.
Determining the Attractiveness Scores for each strategy.
Examine the Stage 2 matrices and identify alternative strategies.
Assigning weights to each key external and internal factor.
Question # 4 of 15 (Start time: 09:05:15 PM) Total Marks: 1
The reason to develop QSPM is to evaluate the alternative strategies derived from all of these EXCEPT:
Select correct option:
Grand Strategy Matrix
BCG Matrix
Space Matrix
CPM Matrix
Question # 5 of 15 (Start time: 09:06:14 PM) Total Marks: 1
All of the following situations are conducive to market development EXCEPT:
Select correct option:
When new untapped or unsaturated markets exist
When new channels of distribution are expensive
When an organization has excess production capacity
When an organization's basic industry is becoming rapidly global
Question # 6 of 15 (Start time: 09:06:58 PM) Total Marks: 1
All of the following are the examples of promotion decision EXCEPT:
Select correct option:
Personal selling
Volume discounts
Public relations
Advertising
Question # 7 of 15 (Start time: 09:08:03 PM) Total Marks: 1
Which strategy seeks to increase market share of present products or services in present markets through greater marketing efforts?
Select correct option:
Market penetration
Market development
Backward integration
Product development
Question # 8 of 15 (Start time: 09:08:33 PM) Total Marks: 1
All of the following would be considered as weaknesses to a business EXCEPT:
Select correct option:
Maturing markets
Limited industry expertise
Brand name
Limited financial resources
Question # 9 of 15 (Start time: 09:09:28 PM) Total Marks: 1
According to Porter, which strategy offers products or services to a small range of

customers at the lowest price available on the market?
Select correct option:
Low cost
Best value
Cost focus
Differentiation
Question # 10 of 15 (Start time: 09:10:39 PM) Total Marks: 1
When a merger or acquisition is not desired by both the parties of merger, then it is known as:
Select correct option:
Divestiture
Takeover
Outsourcing
Integration
Question # 11 of 15 (Start time: 09:11:23 PM) Total Marks: 1
What are the four dimensions of a SPACE matrix?
Select correct option:
Environmental stability; Industrial strength; Competitive advantage; Market growth rate
Environmental stability; Industrial strength; Competitive advantage; Financial strength
Industrial strength; Competitive advantage; financial strength; Market share
Environmental stability; Industrial strength; Market growth rate; Market share
Question # 12 of 15 (Start time: 09:11:56 PM) Total Marks: 1
Selling all of a company's assets in parts for their tangible worth is known as:
Select correct option:
Joint venture
Divestiture
Liquidation
Integration

Question # 13 of 15 (Start time: 09:12:35 PM) Total Marks: 1
Market segmentation is especially used in implementing strategies by which of the following firms?
Select correct option:
Small firms
Medium-size firms
Large firms
All of these firms
Question # 14 of 15 (Start time: 09:13:04 PM) Total Marks: 1
When two organizations of about equal size unite to form one enterprise, which of the following takes place?
Select correct option:
Hostile takeover
Merger
Liquidation
Divestiture
Question # 15 of 15 (Start time: 09:13:50 PM) Total Marks: 1
Which of the following strategy generally entails large research and development

expenditures?
Select correct option:
Market penetration
Retrenchment
Forward integration
Product development
Question # 1 of 15 (Start time: 09:23:55 PM) Total Marks: 1
Which one of the following is NOT a SMART criterion?
Select correct option:

Measurable
Strategy
Achievable
Relevant
Question # 2 of 15 (Start time: 09:25:01 PM) Total Marks: 1
External forces directly affects all of the following EXCEPT:
Select correct option:

Market segmentation strategies
Types of products/services offered
Management structure of organization
Choice of businesses to acquire or sell
Question # 3 of 15 (Start time: 09:26:06 PM) Total Marks: 1
Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

Question # 5 of 15 (Start time: 09:27:47 PM) Total Marks: 1
All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:
Select correct option:

Tax rates
Trust in government
Pak-India relationships
Patent laws

Question # 6 of 15 (Start time: 09:28:47 PM) Total Marks: 1
Which of the following is NOT a SPACE Matrix quadrant?
Select correct option:

Aggressive
Defensive

Competitive
Offensive

Question # 7 of 15 (Start time: 09:29:19 PM) Total Marks: 1
The IE Matrix consists of how many cells?
Select correct option:

Seven
Eight
Nine
Ten

Question # 8 of 15 (Start time: 09:29:53 PM) Total Marks: 1
Majority of the businesses follow which of the following organizational structure?
Select correct option:

Strategic business unit
Functional structure
Divisional structure
Matrix structure

Question # 9 of 15 (Start time: 09:30:57 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 10 of 15 (Start time: 09:31:46 PM) Total Marks: 1
Marketing decisions generally fall into four controllable categories. Which one of the following is NOT one of marketing decisions category?
Select correct option:

Product
Process
Distribution
Promotion

Question # 11 of 15 (Start time: 09:32:22 PM) Total Marks: 1
Input stage of strategy formulation framework includes developing which of the following set of strategies?
Select correct option:

IFE, EFE and QSPM Matrix
IFE, IE and BCG Matrix

IFE, CPM and EFE Matrix
EFE, IE and CPM Matrix

Question # 12 of 15 (Start time: 09:33:22 PM) Total Marks: 1
Which of the following is best identified as a statement that presents “a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive”?
Select correct option:

Corporate philosophy statement
Company creed
Vision statement
Mission statement

Question # 13 of 15 (Start time: 09:34:02 PM) Total Marks: 1
All of the following fall under Pricing decisions EXCEPT:
Select correct option:

Discounts
Credit terms
Markups
Dealer relations

Question # 14 of 15 (Start time: 09:34:32 PM) Total Marks: 1
According to the Grand Strategy Matrix, in which quadrant organizations have a strong competitive position but are in a slow-growth industry?
Select correct option:

I
II
III
IV

Question # 15 of 15 (Start time: 09:35:00 PM) Total Marks: 1
All of the following are functional support roles of Management Information System EXCEPT:
Select correct option:

Recording and storing accounting records
Recording and storing inventory data
Recording and storing business intelligence data
The enhanced ability to explore "what if"

Question # 1 of 15 (Start time: 11:22:48 PM) Total Marks: 1
In BCG growth-share matrix, which of the following would be most likely to possess a low market share and a high growth rate?
Select correct option:

Dog

Question mark
Cash cow
Star

Question # 2 of 15 (Start time: 11:23:42 PM) Total Marks: 1
Which one of the following strategies is referred as presenting products, often with a little or no modification, to customers in related marketing areas?
Select correct option:

Market development
Market penetration
Horizontal integration
Product development

Question # 3 of 15 (Start time: 11:24:47 PM) Total Marks: 1
Which of the following was NOT included in Borden's marketing mix?
Select correct option:

Product planning
Display
Styling
Physical handling

Question # 4 of 15 (Start time: 11:25:58 PM) Total Marks: 1
Product development involves going in the direction of which one of the following?
Select correct option:

Present products to present markets
Present products to new markets
New products to present markets
New products to new markets

Question # 5 of 15 (Start time: 11:26:28 PM) Total Marks: 1
Which of the following statements is NOT correct about a mission statement?
Select correct option:

It contains the definition of the company's business
It is called the picture of a company's future.
It is a statement containing the company's major goals
It is known as statement of the corporate philosophy

Question # 6 of 15 (Start time: 11:27:00 PM) Total Marks: 1
Which of the following directs at developing new products before competitors do at improving product quality or at improving manufacturing processes to reduce costs?
Select correct option:

Marketing
Opportunity analysis

Research and development
Management

Question # 7 of 15 (Start time: 11:27:57 PM) Total Marks: 1
The reason to develop QSPM is to evaluate the alternative strategies derived from all of these EXCEPT:
Select correct option:

Grand Strategy Matrix
BCG Matrix
Space Matrix
CPM Matrix

Question # 8 of 15 (Start time: 11:28:11 PM) Total Marks: 1
Which of these strategies is effective when the number of suppliers is small and the number of competitors is large?
Select correct option:

Conglomerate diversification
Forward integration
Backward integration
Horizontal diversification

Question # 9 of 15 (Start time: 11:28:56 PM) Total Marks: 1
The process of monitoring performance, comparing it with goals, and correcting any significant deviations is known as:
Select correct option:

Planning
Organizing
Leading
Controlling

Question # 10 of 15 (Start time: 11:29:08 PM) Total Marks: 1
Defensive strategies include all of the following EXCEPT:
Select correct option:

Retrenchment
Acquisition
Divestiture
Liquidation

Question # 11 of 15 (Start time: 11:29:34 PM) Total Marks: 1
In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?
Select correct option:

SO Strategy
WO Strategy
SW Strategy
ST Strategy

Question # 12 of 15 (Start time: 11:30:10 PM) Total Marks: 1
Identify the term that is known as a “mean of providing guidance to actions and procedures, including how resources are to be allocated and how tasks assigned to the organization might be accomplished”.
Select correct option:

Aspirations
Objectives
Policies
Goals

Question # 13 of 15 (Start time: 11:31:19 PM) Total Marks: 1
Which one of the following is NOT a SMART criterion?
Select correct option:

Measurable
Strategy
Achievable
Relevant

Question # 14 of 15 (Start time: 11:31:29 PM) Total Marks: 1
Which of the following is the last step in the development of QSPM?
Select correct option:

Developing a list of the firm’s key external and internal factors
Determining the Attractiveness Scores for each strategy
Compute the Sum Total Attractiveness Score
Assigning weights to each key external and internal factor

Question # 15 of 15 (Start time: 11:32:45 PM) Total Marks: 1
Which of the following categories of ratios includes return on total assets and return on stockholders’ equity as its types?
Select correct option:

Profitability
Leverage
Growth
Liquidity

Question # 1 of 15 (Start time: 11:46:29 PM) Total Marks: 1
In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their

products. Thus, which of the following strategies is being practiced by AF & Z Corporation?
Select correct option:

SO Strategy
WO Strategy
SW Strategy
ST Strategy

Question # 2 of 15 (Start time: 11:46:50 PM) Total Marks: 1
Which of the following refers to Kanban?
Select correct option:

Manufacturing system
Production unit
Signals
Process

Question # 3 of 15 (Start time: 11:47:40 PM) Total Marks: 1
Buyers can exercise high bargaining power over their suppliers under which one of the following conditions?
Select correct option:

When there are many good substitutes of raw material
There are few buyers in the market
They have few suppliers to choose from
There is a high concentration of suppliers

Question # 4 of 15 (Start time: 11:49:04 PM) Total Marks: 1
Selling all of a company's assets in parts for their tangible worth is known as:
Select correct option:

Joint venture
Divestiture
Liquidation
Integration

Question # 5 of 15 (Start time: 11:49:36 PM) Total Marks: 1
The organizations, where resource allocation is not based on strategic-management approach to decision making, which approach is used for resource allocation?
Select correct option:

Financial budget
Relative importance of departments
On political or personal factors
Relative cost of each resources

Question # 6 of 15 (Start time: 11:50:18 PM) Total Marks: 1
Where an organization is considering development in an existing market with existing products it is pursuing which of the following strategy?
Select correct option:

Diversification
Market development
Market penetration
Product development

Question # 7 of 15 (Start time: 11:50:49 PM) Total Marks: 1
Non-financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:

Better awareness of external threats
Enhanced awareness of threats
Reduced resistance to change
Increase in sales

Question # 8 of 15 (Start time: 11:51:29 PM) Total Marks: 1
Which of the following are two positive-rated dimensions on SPACE Matrix?
Select correct option:

FS and CA
CA and ES
FS and IS
IS and ES

Question # 9 of 15 (Start time: 11:52:06 PM) Total Marks: 1
Marketing decisions generally fall into four controllable categories. Which one of the following is NOT one of marketing decisions category?
Select correct option:

Product
Process
Distribution
Promotion

Question # 10 of 15 (Start time: 11:52:22 PM) Total Marks: 1
A firm that is involved in two or more distinct businesses is known as:
Select correct option:

A diversified company
A ventured company
A restructured company
A multinational corporation

Question # 11 of 15 (Start time: 11:53:37 PM) Total Marks: 1
Which one of the following is the organizational structure that most of the medium-size

organizations follow?
Select correct option:

Divisional structure
Strategic business unit
Functional structure
Matrix structure

Question # 12 of 15 (Start time: 11:53:53 PM) Total Marks: 1
The total weighted score of IFE matrix developed for XYZ corporation is 3.5. Which of the following statement is TRUE about XYZ Corporation in the light of IFE matrix total weighted score?
Select correct option:

Corporation has strong external position
Corporation has weak internal position
Corporation has strong internal position
Corporation has weak external position

Question # 13 of 15 (Start time: 11:55:13 PM) Total Marks: 1
Local, state, and national elections, world oil, currency, and labor markets, number of patents, special tariffs are the examples of which one of the following?
Select correct option:

Economic forces
Social, cultural and, demographic forces
Political, governmental, and legal forces
Competitive forces

Question # 14 of 15 (Start time: 11:55:58 PM) Total Marks: 1
BCG matrix is used in matching stage of strategy formulation framework. It plots the business units along which of the following dimensions?
Select correct option:

Market share and industry strength
Market share and market growth rate
Market growth rate and competitive position
Market growth rate and environment stability

Question # 15 of 15 (Start time: 11:57:20 PM) Total Marks: 1
Ethnic balance is affected due to which of the following?
Select correct option:

Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

1. Which of the following strategy should be perused first by the Irtiza Insurance Company as it is located in Quadrant III of the Grand Strategy Matrix?
Select correct option:

Diversification
Liquidation
Retrenchment
Divestiture

2. Which one of the following is the characteristic of Question marks?
Select correct option:

Excess cash generation
Low cash generation
Opportunities for growth
No-market-growth industry

3. Which of the following are two negative-rated dimensions on SPACE Matrix?
Select correct option:

FS and CA
CA and ES
FS and IS
IS and ES

4. What is the first step in the comprehensive strategic-management model?
Select correct option:

Performing external audits
Developing vision and mission statements
Performing internal audits
Measuring and evaluating performance

5. Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

6. Which approach for managing and resolving conflict involves playing down differences between conflicting parties while stressing on similarities and common interests?
Select correct option:

Avoidance

Compliance
Diffusion
Confrontation

7. Which one of the following is the organizational structure that most of the medium-size organizations follow?
Select correct option:

Divisional structure
Strategic business unit
Functional structure
Matrix structure

8. Intuition is based on all of the following factors EXCEPT:
Select correct option:

Past experiences
Judgments
Uncertainties
Feelings

9. A & Ammar is the sole manufacturer of leather goods in Pakistan. Government has lowered the tax rates for this industry keeping in view of promoting other new firms to enter this industry. Lowering the tax rates of this industry will confront A & Ammar with which of the following?
Select correct option:

Strength
Weakness
Opportunity
Threat

10. ABC company is competing in an industry where the growth rate of that industry from year to year has reached or is close to zero, ABC is operating in which industry?
Select correct option:

Growing industry
Emerging industry
Mature industry
Declining industry

11. Matching stage of the strategy formulation framework comprises of formulating which of the following set of strategies?
Select correct option:

BCG, SPACE and QSPM Matrix
BCG, SPACE and TOWS Matrix

SPACE, TOWS and IFE Matrix
BCG, SPACE and EFE Matrix

12. All of the following would represent possible threats to the ABC Company EXCEPT which one of the following?
Select correct option:

Entrance of new competitors
improved buyer or supplier relationships
New or revised regulations
Slow industry/market growth

13. Which of the following is the best example for achieving long-term objectives?
Select correct option:

Strengths
Strategies
Policies
Opportunities
14. What is NOT a major benefit of having a diverse workforce?
Select correct option:

Improvement of the bottom line
An increase in training costs
An increase in productivity
A decrease in complaints

15. You are asked to prepare the IE Matrix of Roxon Incorporation. Your findings reveal that its Southern division falls in IX cell of IE Matrix. How will you interpret your findings?
Select correct option:

It can be managed best with Harvest or divest strategies
It can be managed best with Grow and Build strategies
It can be managed best with Grow and Maintain strategies
It can be managed best with Hold and Maintain strategies

16. Which of the following is the highest possible weighted score for the organization in IFE matrix?
Select correct option:

1.0
1.5
2.5
4.0

17. Local, state, and national elections, world oil, currency, and labor markets, number of patents, special tariffs are the examples of which one of the following?

Select correct option:

Economic forces
Social, cultural and, demographic forces
Political, governmental, and legal forces
Competitive forces

18. According to the Grand Strategy Matrix, in which quadrant organizations have a strong competitive position but are in a slow-growth industry?
Select correct option:

I
II
III
IV

19. Selling all of a company's assets in parts for their tangible worth is known as:
Select correct option:

Joint venture
Divestiture
Liquidation
Integration

20. Research and development activity performed by R & D department of AZD company resulted in the introducing a telecommunications system in a foreign country. This R & D activity is referred as:
Select correct option:

Concentric diversification
Market development
Market penetration
Product development

21 Which analytical tool consists of a nine-cell matrix?
Select correct option:

Competitive Profile Matrix
SPACE Matrix
Grand Strategy Matrix
Internal-External Matrix

22 What is the most widely used technique for determining the best combination of debt and stock?
Select correct option:

Earnings per share
Return on stockholders' equity

Debt-to-equity ratio
Capital budgeting

23. Which of the following is NOT a component of external environment analysis?
Select correct option:

Customer satisfaction feedback
Global impacts
Legal issues within the industry
Competitive position of rival companies

24. Which of the following groups represents the stakeholders of a company?
Select correct option:

The owners of the company
The people who purchases the shares of the company
The people who have a special stake or claim on the company
Are the people who are in the management a company

25. All of the specified approaches could be used to determine R&D budget allocation EXCEPT:
Select correct option:

Financing as many projects as possible
Using percentage-of-sales method
Budgeting irrelative to competitors
Deciding how many successful new products are needed

2**6.** Which of the following statement is referred to 'Price fluctuation'?
Select correct option:

Decrease in prices
Increase in prices
Fluctuation in the prices of a particular commodity
Fluctuation in general price level

27. "A Good mission statement identifies the utility of a firm's products to its customers"; which of the following represents this statement?
Select correct option:

Organization's philosophy
Customer orientation
Social policy
Declaration of attitude

28. Which of the following is NOT a Corporate level objective?
Select correct option:

Achieving return on investment of at least 15%
Aiming to achieve a market share of 10%
Attaining operating profit of over Rs.10 million
Increase earnings per share by at least 10% every year

29. All of these are pitfalls an organization should avoid in strategic planning EXCEPT:
Select correct option:

Using plans as a standard for measuring performance.
Using strategic planning to gain control over decisions and resources
Failing to involve key employees in all phases of planning
Being so formal in planning that flexibility and creativity are stifled

30. All of the following would be considered as opportunities for a business, EXCEPT:
Select correct option:

Removal of international trade barriers
Emergence of unfulfilled customer need
Emergence of substitute products
loosening of regulations

31. Which one of the following is NOT a basic mission of a competitive intelligence program?
Select correct option:

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

32. Which stage of the "Strategy Formulation Framework" includes an External Factor Evaluation Matrix and a Competitive Profile Matrix?
Select correct option:

Input stage
Output stage
Matching stage
Decision stage

33. Which one of the following best describes the Rumelt's criterion "Consonance"?
Select correct option:

Strategy should not present inconsistent goals and policies
It refers to the need for strategies to examine sets of trends
Strategy should neither overtaxes resources nor creates unsolvable sub problems
Strategy should provide the reaction or maintenance of competitive advantage
34. In adapting to change an organization must monitor which of the following?
Select correct option:

Ongoing processes
Internal and external events
Timely changes
All of the given options

35. All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:
Select correct option:

Tax rates
Trust in government
Pak-India relationships
Patent laws

36. Question # 16 of 20 (Start time: 01:50:46 PM) Total Marks: 1
At least how many R & D approaches are used for the implementation of strategy?
Select correct option:

Two
Three
Four
Five

37. Exclusive access to high grade natural resources is an example of which of the following?
Select correct option:

Strength
Weakness
Opportunity
Threat

38. To whom a planning horizon of two to five years applies?
Select correct option:

Top management
Middle management
Lower management
All levels

39. All of the following are examples of marketing decisions that require policies EXCEPT:
Select correct option:

To be a market leader or follower
Whether to advertise online or not
Either to offer a complete or limited warranty

To use billboards for outdoor advertising

40. If market shares of competitors are declining whereas total industry sales are increasing, which strategy do you think may be the right one to pursue?
Select correct option:

Divestiture
Market Penetration
Market Development
Retrenchment

41. If market shares of competitors are declining whereas total industry sales are increasing, which strategy do you think may be the right one to pursue?
Select correct option:

Divestiture
Market Penetration
Market Development
Retrenchment

42. What is a central strategy-implementation technique that allows an organization to examine the expected results of various actions and approaches?
Select correct option:

Financial budgeting
TOWS analysis
Projected financial statement
External analysis

43. Which of the following is NOT a SPACE Matrix quadrant?
Select correct option:

Aggressive
Defensive
Competitive
Offensive

44. Identify the term that is known as a “mean of providing guidance to actions and procedures, including how resources are to be allocated and how tasks assigned to the organization might be accomplished”.
Select correct option:

Aspirations
Objectives
Policies
Goals

45. All of the following fall under the category of "Process" function of production management EXCEPT:
Select correct option:

Choice of technology
Quality assurance
Process flow analysis
Transportation analysis

46. Adding new but unrelated products or services for appealing present customers is known as:
Select correct option:

Forward integration
Backward integration
Conglomerate diversification
Horizontal diversification

47. What is the systematic gathering, recording, and analyzing of data about problems relating to the marketing of goods and services?
Select correct option:

Management
Planning
Marketing Research
Market segmentation

48. Which category of ratios measures "how effectively a firm can maintain its economic position in the growth of the economy and industry"?
Select correct option:

Liquidity
Leverage
Activity
Growth

49. A & Ammar is the sole manufacturer of leather goods in Pakistan. Government has lowered the tax rates for this industry keeping in view of promoting other new firms to enter this industry. Lowering the tax rates of this industry will confront A & Ammar with which of the following?
Select correct option:

Strength
Weakness
Opportunity
Threat

50. Which of the following is NOT a SPACE Matrix quadrant?
Select correct option:

Aggressive
Defensive
Competitive
Offensive

51. Which organizational structure has ambiguous roles for senior executives as a major disadvantage?
Select correct option:

Strategic business unit
Functional structure
Divisional structure
Matrix structure

52. Which of the following refers to Kanban?
Select correct option:

Manufacturing system
Production unit
Signals
Process

53. Which stage of the strategy-formulation framework consists of the Quantitative Strategic Planning Matrix?
Select correct option:

Formulation framework
Matching stage
Decision stage
All of the given options

54. Which of the following statement is NOT true about Employee stock ownership plan?
Select correct option:

These corporations are owned in whole or in part by their employees
Their employees can buy shares at any time or after a certain length of employment
Their shares are traded on public stock market
The profits of these corporations are shared with their employees

55. The external environmental trends and events that could significantly harm an organization in the future may be known as:
Select correct option:

Strengths

Weaknesses
Opportunities
Threats

56. Din Mohammad, a farmer sells his crops at the local market rather than to a distribution center. This action of Din Mohammad comes under which of the following?
Select correct option:

Backward integration
Product development
Forward integration
Horizontal integration

57. What can be the limitation of QSPM?
Select correct option:

Only a few strategies can be evaluated simultaneously.
The cost of doing the analysis is very high.
Intuitive judgments and educated assumption are required.
It requires equal participation of everyone in organization.

58. Business units that have low market share and are operating in slow-growing industry should choose all of the following EXCEPT:
Select correct option:

Distribution efficiency
Production efficiency
New investments
Product innovation

59. Which of these is not one of the tests used to determine whether a performance-pay plan will benefit an organization?
Select correct option:

Do employees understand the plan?
Is the plan improving communications?
Does the plan pay out when it should?
Does the plan reduce management layers?

60. Which one of the following strategies is referred as presenting products, often with a little or no modification, to customers in related marketing areas?
Select correct option:

Market development
Market penetration
Horizontal integration
Product development

61. Just in Time (JIT) system can be defined as:
Select correct option:

Implementing strategies just before bankruptcy
Delivering materials just as they are needed
A scheduling method for meetings
A process for improving quality of products

62. All of the following would be considered as weaknesses to a business EXCEPT:
Select correct option:

Maturing markets
Limited industry expertise
Brand name
Limited financial resources

63. All of the following are examples of marketing decisions that require policies EXCEPT:
Select correct option:

To be a market leader or follower
Whether to advertise online or not
Either to offer a complete or limited warranty
To use billboards for outdoor advertising

64. What is the product of weights and attractiveness scores for each strategy in QSPM?
Select correct option:

Sum total attractiveness scores
Total attractiveness scores
Weighted scores
Total weighted scores

65. Which organizational structure has ambiguous roles for senior executives as a major disadvantage?
Select correct option:

Strategic business unit
Functional structure
Divisional structure
Matrix structure

66. Availability of existing substitute products can increase which of the following?
Select correct option:

The bargaining power of customers
The bargaining power of suppliers

The threat of new entrants
The threat of substitute products

67. Which of the following is a deliberate plan of action, guidelines, methods, procedures to guide decisions and achieve rational outcome?
Select correct option:

Annual objectives
Strategies
Policies
Goals

68. The organizations that conduct business operations across national borders are known as which of the following?
Select correct option:

Domestic firms
Multinational corporations
Parent companies
Franchises

69. Which one of the following is NOT a key external force?
Select correct option:

Social responsibility
Ozone reduction
Company management
Energy conservation

70. Which stage of the strategy-formulation framework focuses on generating feasible alternative strategies?
Select correct option:

Input
Output
Decision
Matching

71. “A Good mission statement identifies the utility of a firm's products to its customers”; which of the following represents this statement?
Select correct option:

Organization’s philosophy
Customer orientation
Social policy
Declaration of attitude

72. Which of the following refers to the belief related to objectives setting that "the true

measure of a really good strategist is the ability to solve problems"?
Select correct option:

Managing by objectives
Managing by extrapolation
Managing by crisis
Managing by subjectives

73. All of the following would be considered organizational skills and resources that will be used in differentiation strategy EXCEPT which one?
Select correct option:

Strong research and development department
Products designed for ease of manufacture
Corporate reputation for quality and reliability
Creative, talented and skilled personnel

74. Which approach for managing and resolving conflict involves physical separating the conflicting individuals?
Select correct option:

Avoidance
Compliance
Diffusion
Confrontation

75. All of the specified approaches could be used to determine R&D budget allocation EXCEPT:
Select correct option:

Financing as many projects as possible
Using percentage-of-sales method
Budgeting irrelative to competitors
Deciding how many successful new products are needed

76. Retrenchment strategy should be followed by which one of the following firms?
Select correct option:

Firm with its SPACE matrix vector in defensive quadrant
Firm with its SPACE matrix vector in aggressive quadrant
Firm with its SPACE matrix vector in conservative quadrant
Firm with its SPACE matrix vector in competitive quadrant

77. What is the purpose of strategy evaluation?
Select correct option:

Increase the budget annually
Alert management of problems

Make budget changes
Evaluate employees' performance

78. Research and development activity performed by R & D department of AZD company resulted in the introducing a telecommunications system in a foreign country. This R & D activity is referred as:
Select correct option:

Concentric diversification
Market development
Market penetration
Product development

79. All of the following would be considered as opportunities for a business, EXCEPT:
Select correct option:

Removal of international trade barriers
Emergence of unfulfilled customer need
Emergence of substitute products
Loosening of regulations

80. A & C Corporation currently possesses a low share of its available market. Moreover, this company's portfolio reveals it has extremely low market growth. A & C Corporation is most likely to be classed as which one of the following?
Select correct option:

Dog
Question mark
Star
Cash cow

81. Which statements best represents 'Restructuring'?
Select correct option:

Radical redesign of an organization's process
An agreement between two or more firms
Personnel downsizing and asset revaluation
Combination of two or more companies

82. Restructuring is also known as:
Select correct option:

Up-sizing
Delayering
Diversifying
Integrating

83. Exclusive access to high grade natural resources is an example of which of the following?
Select correct option:

Strength
Weakness
Opportunity
Threat

84. Identify the stages of strategic management process in a precise sequence.
Select correct option:

Strategy evaluation, strategy formulation & strategy implementation
Strategy evaluation, strategy implementation & strategy formulation
Strategy formulation, strategy implementation & strategy evaluation
Strategy implementation, strategy evaluation & strategy formulation

85. Which of the following statement is NOT correct about Just in Time?
Select correct option:

It reduces the in-process inventory
It is driven by a series of signals, or Kanban
Re-order level is determined by existing demand
New stock is ordered when stock reaches the re-order level

86. Which of the following are two negative-rated dimensions on SPACE Matrix?
Select correct option:

FS and CA
CA and ES
FS and IS
IS and ES

87. Which of the following is a Corporate level objective?
Select correct option:

Getting 75% customer awareness of company's brand in target markets
Increasing earnings per share by at least 10%
Building customer database of at least 250,000 companies
Achieving a 10% share of International market

88. When an industry relies heavily on government contracts, which of the following is important for the firm to foresee as a part of its external audit?
Select correct option:

Economic forces
Political forces

Technological forces
Competitive forces

89. Strategies that are designed to appeal customers with a special sensitivity for a particular product attribute are dependent on which of the following?
Select correct option:

Differentiation strategy
Focus strategy
Niche strategy
Low cost strategy
90. What term refers to selling a division of an organization?
Select correct option:

Joint venture
Divestiture
Liquidation
Horizontal integration

91. All of the following tasks are performed by R&D employees and managers EXCEPT:
Select correct option:

Transferring complex technology
Adapting processes to local markets
Adjusting process to local raw materials
Make sure the availability of resource

92. In the SPACE analysis, what does (+7, -6) coordinates depict?
Select correct option:

A firm operating in a strong industry with an unstable environment
A firm operating in a strong industry with a stable environment
A highly competitive firm operating in an unstable environment
A financially strong firm operating in an unstable environment

93. Market segmentation is especially used in implementing strategies by which of the following firms?
Select correct option:

Small firms
Medium-size firms
Large firms
All of these firms

94. Which of the following is the first step in the controlling function of management?
Select correct option:

Take corrective actions
Restrict breaks employees take
Evaluate expense reports
Establish performance standards

96. Which of the following ties all business functions together and provides the basis for all managerial decisions?
Select correct option:

Marketing
Information
Technology
Workforce

97. Which pay strategy is not a form of incentive compensation?
Select correct option:

Bonus
Hourly wage
Gain sharing
Profit sharing

98. Buyer switching costs is an important factor for which of the following forces?
Select correct option:

The intensity of competitive rivalry
The bargaining power of suppliers
The threat of new entrants
The threat of substitute products

99. Which one of the following statements best describes the sign of weakness of a company's competitive position?
Select correct option:

An after-tax return-on-equity below 15% and earnings per share
less than $1.00.
A higher cost of production and higher prices of products than the rivals.
A declining market share, below standard quality products and fewer sales in market.
Lower revenues and increasing cost of inputs than the market-share leader.

100. Which of the following immediately precedes the decision regarding organizational structure?
Select correct option:

External environment analysis
Internal environment analysis

Strategy formulation
Mission statement formulation

101. A strategy involving major business modification usually associated with personnel downsizing and selling the part of company for the purpose of getting effectiveness at maximum is known as:
Select correct option:
Restructuring
Re-engineering
Downsizing
Divestiture

102. When an industry relies heavily on government contracts, which of the following is important for the firm to foresee as a part of its external audit?
Select correct option:
Economic forces
Political forces
Technological forces
Competitive forces

103. In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?
Select correct option:
SO Strategy
WO Strategy
SW Strategy
ST Strategy

104. Question # 4 of 20 (Start time: 10:07:45 PM) Total Marks: 1
Which of the following is NOT one of the major approaches to R&D?
Select correct option:
To be the first firm to market new technological products
To be an innovative imitator of successful products
To be a low-cost producer by mass-producing products
To be a differentiated products manufacturer in industry

105. What is a Just In Time (JIT)?
Select correct option:
Inventory management system
Human resource management system
Sales management system
Financial management system

106. Strategic management is the art and science of formulating, implementing and evaluating cross-functional decisions which is usually done by all of the following

EXCEPT:
Select correct option:
Chairman of the company
Board of directors
Chief executive officer
Marketing officer
107. Long-term objectives are needed at which level(s) of the organization?
Select correct option:
Corporate level
Divisional level
Functional level
All of the given options

108. What is the most widely used technique for determining the best combination of debt and stock?
Select correct option:
Earnings per share
Return on stockholders' equity
Debt-to-equity ratio
Capital budgeting

109. If technology is changing rapidly and the market is growing slowly then what decision the firm should take regarding R & D?
Select correct option:
In-house R&D is the preferred solution
Acquisition of a well-established firm in the industry
A major effort in R&D may be very risky
Obtain R&D expertise on a nonexclusive basis

110. Effective mission statements don't have one of the following features:
Select correct option:
Generate range of feasible strategic alternatives
Reconcile interests among diverse stakeholders
What does the firm want to become
Provide criteria for selecting strategies

111. Which of the following depicts the signs of strength of a company's competitive position?
Select correct option:
A debt-to-asset ratio below 0.50 and higher EPS.
A website with extensive information about the company and its product line.
An annual R&D and advertising expenditures greater than $10 million.
A strongly differentiated product, a strong or rising market share.

112. All of the following are the key opportunities or threats in external environment because of Political, Govt. & lLegal force EXCEPT:
Select correct option:
Tax rates

Trust in government
Pak-India relationships
Patent laws
113. According to Freund, Which one of the following should NOT be the characteristics of key external factors?
Select correct option:
Measurable
Relatively few in number
Applicable to all competing firms
Important to achieve long-term objectives

114. Which of the following environment includes all those factors which affect the organization and itself affected by the organization?
Select correct option:
External environment
Social environment
Task environment
Internal environment

115. Financial benefits of strategic management includes all of the following EXCEPT:
Select correct option:
Progression in profitability
Improvement in employee productivity
Expansion in the sales of business
Enhancement in productivity

116. IE Matrix consists of how many cells?
Select correct option:
Seven
Eight
Nine
Ten

116. Which of the following can be considered one of the factors of external opportunities and threats of an organization?
Select correct option:
Production/ operations
Research & development
Competitive trends
Management information system

117. Which of the following refers to determining the best capital structure for the company?
Select correct option:
Restructuring decisions
Financing decisions
Strategic decision
Investment decision

118. Which category of ratios measures “how effectively a firm can maintain its economic position in the growth of the economy and industry”?
Select correct option:
Liquidity
Leverage
Activity
Growth

119. Which of the following is best identified as a statement that presents “a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive”?
Select correct option:
Corporate philosophy statement
Company creed
Vision statement
Mission statement

120. A strategy involving major business modification usually associated with personnel downsizing and selling the part of company for the purpose of getting effectiveness at maximum is known as:
Select correct option:

Restructuring
Re-engineering
Downsizing
Divestiture

121. External assessment is performed in which of the following strategic-management phase?
► Strategy formulation stage
► Strategy implementation stage
► Strategy evaluation stage
► All of the given options

122. Which of the following can reveal the demographic characteristics of an organization’s customers?
Select correct option:

Customer profiling
Test marketing
Market development
The vision statement

123. Which of the following is best identified as being an adaptation of the divisional structure?
Select correct option:

Vertical Integration
Strategic business units

Joint venture
None of the given options

124. Strategy formulation stage includes all of the following EXCEPT:
Select correct option:

Vision and mission
Strength and weakness
Opportunities and threats
Annual objectives

125. All of the following would be considered as weaknesses to a business EXCEPT:
Select correct option:

Maturing markets
Limited industry expertise
Brand name
Limited financial resources

126. Which of the following ties all business functions together and provides the basis for all managerial decisions?
Select correct option:

Marketing
Information
Technology
Workforce

127. Which category of ratios measures a firm's ability to meet maturing short-term obligations?
Select correct option:

Profitability
Leverage
Liquidity
Activity

128. The in-house R & D is a preferred solution in which of the following situation:
Select correct option:

Technological progress is slow and market growth is moderate
Technology is changing rapidly and market is growing slowly
If technology is changing slowly and market is growing quickly
If both, technological progress and market growth rate are fast

129. Which management function includes breaking tasks into jobs, combining jobs to form departments and delegating authority?
Select correct option:

Motivating
Staffing
Organizing
Planning

130. IE matrix is based on which dimensions?
Select correct option:

Market share and industry growth
Financial strength and industry strength
Weighed scores of IFE and EFE matrices
Market growth and competitive position

131. Local, state, and national elections, world oil, currency, and labor markets, number of patents, special tariffs are the examples of which one of the following?
Select correct option:

Economic forces
Social, cultural and, demographic forces
Political, governmental, and legal forces
Competitive forces

132. What is the appropriate time frame for Strategy-evaluation activities?
Select correct option:

At the beginning of a problem
On a continuous basis
Upon completion of major projects
After the close of financial year

133. Which one of the followings best describes this statement; "The conditions that a company must satisfy in order to be able to enter an industry"?
Select correct option:

Economies of scale
Barriers to entry
Differentiation
Competitive environment

134. Which of the following is a limitation of financial budgets?
Select correct option:
Quarterly or other periodic reforecast are not possible
Over budgeting or under budgeting do not cause problems
Financial budgets can become a substitute for objectives
Budgets reveal inefficiencies if based solely on precedent

135. All of the following are the managerial issues for managing natural environment EXCEPT:
Select correct option:
Global warming- depletion of rain forests
Employee understanding about environment
Developing biodegradable products and packages
Waste management to clean air and water

136. Which of the following refers to Kanban?
Select correct option:
Manufacturing system
Production unit
Signals
Process

137. The organizations that conduct business operations across national borders are known as which of the following?
Select correct option:
Domestic firms
Multinational corporations
Parent companies
Franchises

138. Which strategy is appropriate when an organization competes in an industry characterized by rapid technological developments?
Select correct option:
Retrenchment
Product development
Liquidation
Market penetration

139. Which one of the following strategies is referred as presenting products, often with a little or no modification, to customers in related marketing areas?
Select correct option:
Market development
Market penetration
Horizontal integration
Product development

140. Which of the following is not a key question that can reveal internal strengths and weaknesses of the marketing department?
Select correct option:
Does the firm have an effective sales organization?
Are markets segmented effectively?
Are the firm’s products and services priced appropriately?
Does the firm have good liquidity?

145. Which of the followings best describes the Horizontal integration?
Select correct option:
A firm takes over a supplier
A firm takes over a distributor
A firm takes over a competitor
A firm takes over a manufacturer

146. Strategist is an individual who is involved in the strategic management process, thus may be known as:
Select correct option:
Member board of director
President
Division manager
All of the given options

147. BCG matrix is used in matching stage of strategy formulation framework. It plots the business units along which of the following dimensions?
Select correct option:
Market share and industry strength
Market share and market growth rate
Market growth rate and competitive position
Market growth rate and environment stability

148. According to the Grand Strategy Matrix, in which quadrant organizations have a strong competitive position but are in a slow-growth industry?
Select correct option:
I
II
III
IV

149. All of the following are the key questions that can reveal internal strengths and weaknesses in the management department EXCEPT:
Select correct option:
Is the organization's structure appropriate?
Are reward and control mechanisms effective?
Are the organization's products positioned well?
Does the firm use strategic management concepts?

150. Which one of the following is the most dramatic new market segmentation strategy?
Select correct option:
Targeting on Geographic variables
Targeting of regional tastes
Targeting on Behavioral variables
Targeting on gender and age

151. Which group would be classified as a stakeholder?
Select correct option:

Communities
Banks
Suppliers
All of the given options

152. What is the appropriate time frame for Strategy-evaluation activities?
Select correct option:
At the beginning of a problem
On a continuous basis
Upon completion of major projects
After the close of financial year

153. Which of the following is the process of influencing people to accomplish specific objectives?
Select correct option:
Staffing
Motivating
Controlling
Organizing

154. Which approach for managing and resolving conflict involves playing down differences between conflicting parties while stressing on similarities and common interests?
Select correct option:
Avoidance
Compliance
Diffusion
Confrontation

155. Integration strategies are sometimes collectively referred to as which of these strategies?
Select correct option:
Horizontal integration
Forward integration
Hierarchical integration
Vertical integration

156. Which of the following is one of the Political, Governmental & legal factors?
Select correct option:
Ethical concerns
Traffic congestion
Lobbying activities
Average level of education

157. In order to avoid the emergence of substitute products, AF & Z Corporation has obtained an access and control over the scarce natural resources necessary to produce their products. Thus, which of the following strategies is being practiced by AF & Z Corporation?

Select correct option:
SO Strategy
WO Strategy
SW Strategy
ST Strategy

158. Where usage rate of present customers of the company can be increased significantly and the current markets are not saturated, which strategy would be effective for the company to follow?
Select correct option:
Market Penetration
Product Development
Market Development
Retrenchment
159. Which one of the following statements best describes the sign of weakness of a company's competitive position?
Select correct option:
An after-tax return-on-equity below 15% and earnings per share less than $1.00.
A higher cost of production and higher prices of products than the rivals.
A declining market share, below standard quality products and fewer sales in market.
Lower revenues and increasing cost of inputs than the market-share leader.
160. All of the following are included in the five functions of the management process EXCEPT:
Select correct option:
Planning
Organizing
Leading
Delegating

161. Strategy formulation techniques can be integrated into how many stages of decision making framework?
Select correct option:
Two
Three
Four
Five

162. The SMART goal criteria ‘Relevant’ suggests which one of the following?
Select correct option:
Are you able to assess your progress?
Do you know exactly what you want to accomplish?
Is your goal relevant towards your purpose in life?
What is the deadline for completing your goal?
163. Which of the following was NOT included in Borden's marketing mix?
Select correct option:
Product planning
Display

Styling
Physical handling

164. All of the following are the steps for the development of IE matrix EXCEPT:
Select correct option:
Plot IFE total weighted scores on the x-axis
Plot EFE total weighted scores on the y axis
Determine the region into which the division falls
Determine the quadrant where position vector lies
165. Defensive strategies include all of the following EXCEPT:
Select correct option:
Retrenchment
Acquisition
Divestiture
Liquidation

166. The inventory is viewed as which of the following in Just In Time Inventory system:
Select correct option:
Incurring costs
Adding value
Disburse expense
None of the above options
167. The organizations, where resource allocation is not based on strategic-management approach to decision making, which approach is used for resource allocation?
Select correct option:
Financial budget
Relative importance of departments
On political or personal factors
Relative cost of each resources
168. The total weighted score of IFE matrix developed for XYZ corporation is 3.5. Which of the following statement is TRUE about XYZ Corporation in the light of IFE matrix total weighted score?
Select correct option:
Corporation has strong external position
Corporation has weak internal position
Corporation has strong internal position
Corporation has weak external position
169. Which of the following is a way on the basis of which divisional structure can NOT be organized?
Select correct option:
By geographic area
By product or service
By customer
By technology
170. Reasons due to which some firms do “No Strategic Planning” incorporate all of the following EXCEPT:
Select correct option:
Wastage of time

Fire-fighting
Content with success
Privileged reward structures
171. The effort made by a firm in R & D may be risky in which of the following situation:
Select correct option:
Technological progress is slow and market growth is moderate
Technology is changing rapidly and market is growing slowly
If technology is changing slowly and market is growing quickly
If both, technological progress and market growth rate are fast

172. What is NOT a major benefit of having a diverse workforce?
Select correct option:
Improvement of the bottom line
An increase in training costs
An increase in productivity
A decrease in complaints
173. Which one of the following is the organizational structure that most of the medium-size organizations follow?
Select correct option:
Divisional structure
Strategic business unit
Functional structure
Matrix structure
174. Smoothies Tire & Rubber Co. is selling its North American tire business to Avinza International, is an example of which type of strategy?
Select correct option:
Related diversification
Retrenchment
Divestiture
Liquidation
175. Which of the following period strategic management was considered to be cure for all problems?
Select correct option:
Mid 1950s to mid 1960s
Mid 1960s to mid 1970s
Mid 1970s to mid 1980s
Mid 1980s to mid 1990s
176. Which of the following immediately precedes the decision regarding organizational structure?
Select correct option:
External environment analysis
Internal environment analysis
Strategy formulation
Mission statement formulation
177. Which of the following is not a key question that can reveal internal strengths and weaknesses of the marketing department?
Select correct option:

Does the firm have an effective sales organization?
Are markets segmented effectively?
Are the firm's products and services priced appropriately?
Does the firm have good liquidity?

Question # 1 of 20 (Start time: 02:20:11 PM) Total Marks: 1
An organization's division that has a low relative market share position and competes in a slow-growth industry is known as:
Select correct option:

Dog
Question mark
Star
Cash cow

Question # 2 of 20 (Start time: 02:20:26 PM) Total Marks: 1
Which of these is the allocation and reallocation of capital and resources to projects, products, assets and divisions of an organization?
Select correct option:

Investment decision
Financing decisions
Restructuring decisions
Strategic decision

Question # 3 of 20 (Start time: 02:20:58 PM) Total Marks: 1
Which of the following is a limitation of financial budgets?
Select correct option:

Quarterly or other periodic reforecast are not possible
Over budgeting or under budgeting do not cause problems
Financial budgets can become a substitute for objectives
Budgets reveal inefficiencies if based solely on precedent

Question # 4 of 20 (Start time: 02:21:21 PM) Total Marks: 1
What are the four dimensions of a SPACE matrix?
Select correct option:

Environmental stability; Industrial strength; Competitive advantage; Market growth rate
Environmental stability; Industrial strength; Competitive advantage; Financial strength
Industrial strength; Competitive advantage; financial strength; Market share
Environmental stability; Industrial strength; Market growth rate; Market share

Question # 5 of 20 (Start time: 02:21:44 PM) Total Marks: 1
Assigning a rate=2 in IFE matrix indicates what?
Select correct option:

A major weakness
A minor weakness
A minor strength
A major strength

Question # 6 of 20 (Start time: 02:21:57 PM) Total Marks: 1
The organizations, where resource allocation is not based on strategic-management approach to decision making, which approach is used for resource allocation?
Select correct option:

Financial budget
Relative importance of departments
On political or personal factors
Relative cost of each resources
Question # 7 of 20 (Start time: 02:22:17 PM) Total Marks: 1
Principles of conduct that guide decision-making are known as:
Select correct option:

Human rights
Business ethics
The constitution
Social responsibility

Question # 8 of 20 (Start time: 02:22:50 PM) Total Marks: 1
What happens to the demand for discretionary goods when interest rates rise?
Select correct option:

Rises
Declines
Remains the same
First rises then declines

Question # 9 of 20 (Start time: 02:23:38 PM) Total Marks: 1
The SMART goal criteria ‘Relevant’ suggests which one of the following?
Select correct option:

Are you able to assess your progress?
Do you know exactly what you want to accomplish?
Is your goal relevant towards your purpose in life?
What is the deadline for completing your goal?

Question # 10 of 20 (Start time: 02:23:50 PM) Total Marks: 1
Backward integration is effective in all of the following situations EXCEPT:
Select correct option:

When an organization competes in an industry that is growing rapidly
When an organization needs to acquire a needed resource quickly

When the advantage of stable prices are not important
When present suppliers have high profit margins

Question # 11 of 20 (Start time: 02:24:57 PM) Total Marks: 1
J I T stands for:
Select correct option:

Just inter time
Just into time
Just in time
Just in technique

Question # 12 of 20 (Start time: 02:25:11 PM) Total Marks: 1
All of the following fall under the category of "Process" function of production management EXCEPT:
Select correct option:

Choice of technology
Quality assurance
Process flow analysis
Transportation analysis
Question # 13 of 20 (Start time: 02:25:43 PM) Total Marks: 1
Which of the following is NOT a component of external environment analysis?
Select correct option:

Customer satisfaction feedback
Global impacts
Legal issues within the industry
Competitive position of rival companies

Question # 14 of 20 (Start time: 02:26:03 PM) Total Marks: 1
Which analytical tool consists of a nine-cell matrix?
Select correct option:

Competitive Profile Matrix
SPACE Matrix
Grand Strategy Matrix
Internal-External Matrix

Question # 15 of 20 (Start time: 02:26:16 PM) Total Marks: 1
Which of the following is not a key question that can reveal internal strengths and weaknesses of the marketing department?
Select correct option:

Does the firm have an effective sales organization?
Are markets segmented effectively?
Are the firm's products and services priced appropriately?
Does the firm have good liquidity?

Question # 16 of 20 (Start time: 02:26:38 PM) Total Marks: 1
Which of the following are two negative-rated dimensions on SPACE Matrix?
Select correct option:

FS and CA
CA and ES
FS and IS
IS and ES

Question # 17 of 20 (Start time: 02:26:50 PM) Total Marks: 1
The purpose of an external audit is to prepare a list of which of the following?
Select correct option:

Opportunities and weaknesses
Threats and strengths
Opportunities and threats
Strengths and weaknesses

Question # 18 of 20 (Start time: 02:27:04 PM) Total Marks: 1
The last remedy for Quadrant II firm is to follow which strategy?
Select correct option:

Horizontal integration
Market development
Forward integration
Divestiture

Question # 19 of 20 (Start time: 02:28:31 PM) Total Marks: 1
Which of the following refers to the belief related to objectives setting that "there is no general plan for which way to go and what to do"?
Select correct option:

Managing by crisis
Managing by extrapolation
Managing by hope
Managing by subjectives

Question # 20 of 20 (Start time: 02:29:02 PM) Total Marks: 1
The general conditions for competition that influence business firms, which provide similar products and services is known:
Select correct option:

Remote environment
International environment
External environment
Industry environment

Which one of the following statement is TRUE about EBIT (Earnings Before Interest and Taxes)?
It is calculated as revenue minus depreciation and interest expanses
It is calculated as revenue minus expenses excluding tax and interest
It is calculated as revenue minus cost of good sold and sales taxes
It is calculated as revenue minus selling and administrative expenses

Which matrix is included in the decision stage of the strategy formulation framework?
IE Matrix
QSPM matrix
BCG
Space

On the y-axis of IE Matrix, an EFE total weighted score of 3.97 is considered what?
Low
Medium
High
Weak

Integration strategies are sometimes collectively referred to as which of these strategies?
Select correct option:
Horizontal integration
Forward integration
Hierarchical integration
Vertical integration

Firms located in which quadrant of the Grand Strategy Matrix are in an excellent strategic position?
1
2
3
4

What is the last stage of three-stage strategy formulation framework?
Formulation
Decision
Matching
None of them

What are historical narratives describing the unique accomplishments of a group and its leaders, usually in heroic terms?
Rites
Sagas
Stories
Myths

Which one of the following is the characteristic of Question marks?

Excess cash generation
Low cash generation
Opportunities for growth
No-market-growth industry

"A desired future state that the organization attempts to realize". Identify the term relevant to the given statement
Policy
Procedure
Goal
Strategy

Which alternative becomes more attractive financing technique when cost of capital is high?
Debt financing
Combination financing
Raising equity
Borrowing

Which of these is not one of the tests used to determine whether a performance-pay plan will benefit an organization?
Do employees understand the plan?
Is the plan improving communications?
Does the plan pay out when it should?
Does the plan reduce management layers?

Which of the following statement applies to Vision Statement?
Describes the purpose of existence of an organization
Identify the customers of the organization
The key measure or measures of the organization's success
Depict the values of an organization

Which of the following refers to determining the best capital structure for the company?
Restructuring decisions
Financing decisions
Strategic decision
Investment decision

All of the following are the examples of pricing decisions EXCEPT:
Volume discount
Bundling
Price flexibility
Repair and supports

Which statements best represents 'Restructuring'?
Radical redesign of an organization's process
An agreement between two or more firms
Personnel downsizing and asset revaluation
Combination of two or more companies

Which of the following arise when a company can take advantage of conditions in its environment to formulate and implement strategies that enable it to become more profitable?
Strengths
Opportunities
Weaknesses
Threats

Which one of the following is NOT a SMART criterion?
Measurable
Strategy
Achievable
Relevant
Which of the following refers to the belief related to objectives setting that "the true measure of a really good strategist is the ability to solve problems"?
Managing by objectives
Managing by extrapolation
Managing by crisis
Managing by subjectives

Which is the most important benefit required from restructuring?
Employee impalement
Cost reduction
Increased morale
Increased innovation

Solved these quizz by urself..

Which of the following can be best described as short-term in nature?
Select correct option:

Mission statements
Annual objectives

Strategies
Vision statement

Which of the following are the factors that concern the nature and direction of the economy in which a firm operates?
Select correct option:

Technological
Ecological
Social
Economic

Which one of the followings best describes this statement; "The conditions that a company must satisfy in order to be able to enter an industry"?
Select correct option:

Economies of scale
Barriers to entry
Differentiation
Competitive environment

During which stage of strategic management, firm's specific internal strengths and weaknesses are determined?
Select correct option:

Formulation
Implementation
Evaluation
Feedback

Which of the following arise when a company can take advantage of conditions in its environment to formulate and implement strategies that enable it to become more profitable?
Select correct option:

Strengths
Opportunities
Weaknesses
Threats

Which statement is CORRECT about strategic-management process?
Select correct option:

It occurs once a year
It is a continuous process
It applies mostly to large business

It applies mostly to small businesses

Ethnic balance is affected due to which of the following?
Select correct option:

Change in ethnic values
Awareness of ethnic norms
Migration of the people towards different areas
Introduction of new laws relating to ethnicity

The organizations that conduct business operations across national borders are known as which of the following?
Select correct option:

Domestic firms
Multinational corporations
Parent companies
Franchises

Which of the following is the greatest advantage of international operations?
Select correct option:

Reduced tariffs and taxes
Access to global business practices
Gaining new customers
Less-intense competition

Which of the following are developed in strategy implementation phase of strategic management?
Select correct option:

Vision and mission
Annual objectives
Strengths and weaknesses
Opportunities and threats

Which of the following is not a strategy-implementation activity?
Select correct option:

Long term goals and objectives
Developing strategy supportive culture
Redirecting marketing efforts
Developing and utilizing information system

Strategy implementation includes developing strategy supportive culture, creating an effective organizational structure, redirecting marketing efforts, preparing budgets, developing and

utilizing information system and linking employee compensation to organizational performance.

The mission statement answers which of the following question?

Select correct option:

What is our business?
How can we improve ourselves?
What do we want to become?
Who are our stakeholders?

Where an organization takes into account the effect of its strategic decisions on the society, the firm is taking care of which of these?

Select correct option:

Corporate governance
Business policy
Business ethics
Social policy

Which of the following is best identified as a statement that presents "a firm's big picture statement, describing a desired end-state, general in scope, and not restrictive"?

Select correct option:

Corporate philosophy statement
Company creed
Vision statement
Mission statement

While preparing an External Factor Evaluation matrix, a total score of 0.8 indicates what?

Select correct option:

Firm is taking advantages of strengths and avoiding threats
Firm is not taking advantages of opportunities and is avoiding threats
Firm is not taking advantages of opportunities and is not avoiding threats
Firm is taking advantage of opportunities and is avoiding the threats

Question # 3 of 10 (Start time: 02:02:21 AM) Total Marks: 1

External forces directly affects all of the following EXCEPT:

Select correct option:

Market segmentation strategies
Types of products/services offered

Management structure of organization

Choice of businesses to acquire or sell

Attitudes of people in the external environment
Lifestyles of people
Per capita income
Values and beliefs of persons outside the firm

Which type of trend can be exemplified by the increase in average level of education in a society?

Social
Economic
Cultural
Technological

A Good mission statement identifies the utility of a firm's products to its customers"; which of the following represents this statement?

Organization's philosophy
Customer orientation
Social policy
Declaration of attitude
Customer orientation

Which of the following can be the weakness of an organization?

Price war
Poor location of business
Increased trade barriers
Innovative substitute product

Which one of the followings best describes this statement; "The conditions that a company must satisfy in order to be able to enter an industry"?

Economies of scale
Barriers to entry
Differentiation
Competitive environment

Which one variable falls under the category of the Social, Cultural, Demographic, and Environmental Variable?

Propensity of people to spend
Buying habits
Level of disposable income
Income differences by region

Which one of the following is NOT a basic mission of a competitive intelligence program?

To provide a general understanding of an industry
To provide a general understanding of a company's competitors
To identify industry executives who could be hired by the firm
To identify potential moves a competitor might make that would endanger a firm

Political variables have a significant effect on which one of the following?

Formulation and implementation of strategy
Formulation and Evaluation of a strategy
Implementation and evaluation of a strategy
Formulation, implementation and evaluation of a strategy

The mission statement answers which of the following question?

What is our business? (correct)
How can we improve ourselves?
What do we want to become?
Who are our stakeholders?

Which of the following statement is TRUE about a Vision statement of a company?

It concentrates on future
It defines the customers
It identify critical processes
It informs about the desired level of performance

All of the following statements are true about a firm's mission statement EXPECT:

A mission statement does not directly contribute positively to financial performance.
A mission statement directly contributes positively to financial performance.
A mission statement should not provide useful criteria for selecting among alternative strategies. (correct)
Primary reason to develop a mission statement is not to attract the customers

Which of the following best describe piece rate system?

- ► **The increased volume of production results in decreased cost of production**
- ► The increased volume of production in minimum time
- ► Establishment of fair standard rates

► Higher output is a result of efficient management

Which of the followin is **NOT** an assumption of the basic economic-order quantity model?

► Annual demand is known
► Orderin cost is known
► Carryin cost is known
► **Quantity discounts are available**

All of the following are deducted from gross Profit to calculate Operating income **EXCEPT**:

► Selling expenses
► Advertising expenses
► Administrative expenses
► **Financial expenses**

The salary of factory clerk is treated as:

► Direct labor cost
► **Indirect labor cost**
► Conversion cost
► Prime cost

The components of the conversion cost are:

► Direct Material + Direct Labor + Other Direct Cost
► **Direct Labor + FOH**
► Prime Cost + FOH+ Other Direct Cost
► Prime Cost + FOH

In cost accounting, Avoidable loss is charged to which of the following?

► Factory over head control account

► **Work in process control account**

► Marketing overhead control account

► Administration overhead control account

Which of the following functions are fulfilled by Goods Received Note?

i. Provides information to update the inventory records on receipt of goods

ii. Provides information to check the quantity on the supplier's invoice

iii. Provides information to check the price on the supplier's invoice

► (i) only

► (i) and (ii) only

► (i) and (iii) only

► **(ii) and (iii) only**

Overhead absorption rate (OAR) can be calculated as:

► Direct labor cost /Direct Labor hours

► **Estimated FOH/ Direct Labor hours**

► Prime cost/ Estimated FOH

► Prime cost/ Direct labor cost

Which of the following would be considered as factory overhead using a job order cost system?

► Direct materials

► Direct labor

► **Depreciation on factory buildings**

► Salesperson's salary

► Salesperson's salary

If, Basic Salary Rs.10,000

Per Piece commission Rs. 5

Unit sold 700 pieces

What will be the COMMISION?

► **Rs. 3,500**

► **Rs. 13,500**

► Rs. 10,000

► Rs. 6,500

With reference to cost of production report, cost accounted for as follows is also known as:

► **Cost reconciliation**

► Bank reconciliation

► Cash reconciliation

► Capital reconciliation

Identify units transferred out with the help of given data:

	Units
Units still in process (100%material, 75% conversion)	4,000
Lost units	2,000
Units started in process	50,000

► 6,000 units

► **44,000 units**

► 52,000 units

► 56,000 units

The difference over the period of time between actual and applied FOH will usually be minimal when the predetermined overhead rate is based on:

► **Normal capacity**

► Designed capacity

► Direct Labor hours

► Machine hours

The cost that is subject to actual payment or will be paid for in future is called:

► Fixed cost

► Step cost

► **Explicit cost**

► Imputed cost

Cost of material consumed under LIFO costing method is Rs. 6,000. Conversion Cost is Rs. 16,500. 1,000 units of the product were manufactured out of which 800 @ Rs. 30 units sold. There were no beginning and ending inventories of work in process and finished goods.

Required: Calculate per unit cost with the help of given information.

► Rs. 22.50

► **Rs.16.50**

► Rs. 6.00

► Rs. 28.13

Calculate total salary received with the given data.

Salary	Rs.5000
Per Piece commission	10 % per piece
Unit sold	700 pieces
Price per piece	Rs. 10

► Rs. 5,100

► Rs. 5,000

► Rs. 5,600

► Rs. **5,700**

Which cost accumulation procedure is best suited to a continuous mass production process of similar units?

► **Job order costing**
► **Process costing**
► **Standard costing**
► **Actual costing**

Which of the following method of inventory valuation is not recommended under IAS 02?

► **LIFO**
► **FIFO**
► **Weighted Average**
► **Both LIFO & FIFO**

Which of the following are basic inventories for a manufacturing concern?

► **Indirect materials, goods in process, and raw materials**
► **Finished goods, raw materials, and direct materials**
► **Raw materials, goods in process, and finished goods**
► **Raw materials, factory overhead, and direct labor**

If the cost per equivalent unit is Rs. 1.60. The equivalent units of output are 50,000. The WIP closing stock is 10,000 units, 40% completed. What will be the value of closing stock?

► Rs. 9,600
► Rs. 80,000
► Rs. 16,000
► **Rs. 6,400**

Consider the following data:

Salary	Rs.5000
Per Piece commission	10 % per piece
Unit sold	700 pieces
Price per piece	Rs. 10
Amount of commission received	?

► Rs. 100
► Rs. 500
► Rs. 600
► **Rs. 700**

Question No: 32 (Marks: 1) - Please choose one

Lost units (Normal loss)	500 units
Units received from preceding department	13,500 units
Units completed in this department	11,750 units

Required: Identify units still in process with the help of above data.

► **1,250 units**
► 14,000 units
► 12,250 units

► 1,750 units

The journal entry of Material purchase on credit under perpetual inventory system is:

► Inventory account (Dr) Material account (Cr)
► Account payable (Dr.) Purchases account (Cr)
► **Inventory account (Dr) Account payable account (Cr)**
► Purchases account (Dr) Accounts payable account (Cr)

A direct cost is identified by which of the following feature?

► Its behavior
► **Its traceability**
► Its controllability
► Its relevance

INCOME BEFORE INTEREST AND TEX

OTHER INCOME
OPERATING INCOME
GROSS PROFIT

Pay roll sheet include except
Gross income
Net income
Tax rebate
Statuary and non statuary

Inventory of Rs. 96,000 was purchased during the year. The cost of goods sold was Rs. 90,000 and the ending inventory was Rs. 18,000. What was the inventory turnover ratio for the year?

► 5.0 times
► 5.3 times
► **6.0 times**
► 6.4 times

Discuss the advantages and disadvantages of the group bonus scheme?

Write the formula of abortion and discuss it base?

EQUILENT production material, lab. FOH (CALUCLATION WALA THAA)

PRIME COST (CALUCLATION WALA THAA)

Question No: 1 (Marks: 1) - Please choose one
Which of the following is the greatest advantage of international operations?
► Reduced tariffs and taxes
► Access to global business practices
► Gaining new customers
► Less-intense competition
Question No: 2 (Marks: 1) - Please choose one
Which component of a mission statement addresses the basic beliefs, values, aspirations, and ethical priorities of the firm?
► Technology
►Philosophy
► Customers
► Self-concept
Question No: 3 (Marks: 1) - Please choose one
One of the important components of a mission statement is Technology, which of the following question is correct about technology as a mission component?
► Is the firm using technology for the manufacturing its products?
► Is the firm technologically current?
► Is the firm producing technology oriented products (like electronics)?
► Is the firm using technology to deal with customer complaints?
www.vuzs.net/
Question No: 4 (Marks: 1) - Please choose one
The purpose of an external audit is to prepare a list of which of the following?
► Opportunities and weaknesses
► Threats and strengths
► Opportunities and threats
► Strengths and weaknesses
Question No: 5 (Marks: 1) - Please choose one
What will happen to the Pakistani exports in overseas markets when there is a strong value of rupee?
► Pakistani exports will be less expensive
► Pakistani exports will be more expensive
► Pakistani exports will be more attractive
► Pakistani exports will be desirable
Question No: 6 (Marks: 1) - Please choose one
Which of the following is TRUE about anti-trust legislation?
► The is the law intended to protect the ozone layer in the environment
► This is the law intended to regulate the tax rates in the economy
► This is the law intended to promote free competition in the market
► This is the law intended to regulate and register the patents
law intended to promote free competition in the market place by outlawing monopolies
Question No: 7 (Marks: 1) - Please choose one
Which of the following is one of the Political, Governmental & Legal factors?
► Ethical concerns
► Traffic congestion
► Lobbying activities
► Average level of education

Political, Governmental, and Legal Forces

Government Regulation
Key opportunities & key threats
• Antitrust legislation (Microsoft)
• Tax rates
• Lobbying efforts
• Patent laws

Question No: 8 (Marks: 1) - Please choose one
Which one of the following is NOT is a basic mission of a competitive intelligence program?
► To provide a general understanding of an industry
► To provide a general understanding of a company's competitors
► To identify industry executives who could be hired by the firm
► To identify potential moves a competitor might make that would endanger a firm

Question No: 9 (Marks: 1) - Please choose one
Which one of the statements is a good example of the competitive power of substitute products?
► The competition between cellular phones and computers
► The competition between Aspirin and joshanda
► The competition between contact lens and eyeglasses
► The competition between Amazon.com and traditional off-line bookstores

Question No: 10 (Marks: 1) - Please choose one
In Porter's Five Forces, the 'threat of new entrants' relates to which factor?
► Barriers to entry
► Substitutes
► Switching cost
► Buyer power

Question No: 11 (Marks: 1) - Please choose one
Which one of the following best describes "a substitute product or service"?
► A competitor's product or service
► An alternative way of meeting the same need
► A new entrant into the industry
► A less attractive way of meeting the same need

Question No: 12 (Marks: 1) - Please choose one
Which of the following can be the strength of an organization?
► A developing market
► A new international market
► Loosening of regulation
► Strong management team

Question No: 13 (Marks: 1) - Please choose one
What is Synergy?
► An act of formulating a program for a definite course of action
► When a team effort is used to achieve desired results
► When individuals work separately to achieve desired results
► When financial expectations of the firm are decided upon

Question No: 14 (Marks: 1) - Please choose one
Which of the following function of management is concerned with span of control and chain of command?
► Planning

► Organizing
► Controlling
► Evaluating

Question No: 15 (Marks: 1) - Please choose one
All of the following are the consideration for a company when conducting test marketing EXCEPT:
► What advertising channel should be used for test?
► How many cities to include for test?
► What information to collect during the test?
► What action to take after the test has been completed?

Question No: 16 (Marks: 1) - Please choose one
The IFE matrix summarizes and evaluates which factors in the functional areas of a business?
► Opportunities and threats
► Strengths and weaknesses
► Strengths and threats
► Opportunities and weaknesses

Question No: 18 (Marks: 1) - Please choose one
Which of these strategies is effective when the number of suppliers is small and the number of competitors is large?
► Conglomerate diversification
► Forward integration
► Backward integration
► Horizontal diversification

Guidelines for Backward Integration:
Six guidelines when backward integration may be an especially effective strategy are:
. When present suppliers are expensive, unreliable, or incapable of meeting needs
. Number of suppliers is small and number of competitors large
. High growth in industry sector
. Firm has both capital and human resources to manage new business
. Advantages of stable prices are important
. Present supplies have high profit margins

Question No: 20 (Marks: 1) - Please choose one
Market penetration is one of the intensive strategies. Which one of the following best describes market penetration?
► Protecting and strengthening the organization's sales by improving present products or services or developing new products
► Protecting and strengthening the organization's position in new markets through its current products
► Protecting and strengthening the organization's position in its current markets through its current products
► Protecting and strengthening the organization's position by adding new, unrelated products for present customers

Question No: 21 (Marks: 1) - Please choose one
Mostly large firms are initiating plans to acquire another unrelated business because it represents the most promising investment opportunity that is available to them. This type of strategic plan is known as:
► Conglomerate diversification
► Backward integration

► Concentric diversification
► Divestiture

Question No: 22 (Marks: 1) - Please choose one
Ahmad Textiles and Superior Textiles have come with each other in cross-manufacturing agreement, the firms are going for which of the following?
► Liquidation
► Acquisition
► Joint venture
► Takeover

Question No: 23 (Marks: 1) - Please choose one
When ABC Corporation makes decisions that assist it in formulating and implementing plans designed to achieve its objectives, it is most likely to engage in which one of the following?
► Strategic Management
► Strategy Utilization
► Strategic Processing
► Strategic Formality

Question No: 24 (Marks: 1) - Please choose one
Adapting to change confronts an organization's strategic management to which of the following issue(s):
► What kind of business we should be in?
► Are we in the right field?
► Should we reshape our business?
► All of the given options

Question No: 25 (Marks: 1) - Please choose one
Non-financial benefits of strategic management include all of the following EXCEPT:
► Enhanced awareness of threats
► Reduced resistance to change
►Increase in sales
► Better awareness of external threats

Question No: 26 (Marks: 1) - Please choose one
_____ is the principle of conduct that guides decision-making.
► Human rights
►Business ethics
► The constitution
► Social responsibility

Question No: 27 (Marks: 1) - Please choose one
Which of the following should be created first and foremost by a strategist?
► Strategy
► Objectives
► Vision
► Mission

Question No: 28 (Marks: 1) - Please choose one
Which of the following statements describes a company's strategic vision?
► Gives a broad, aspiration image of the future that an organization is aiming to achieve

► Sets forth the long-range financial and strategic performance targets that organization seeks to achieve
► Indicates the boundaries of the company's present business
► Reflects how strategic objectives are to be achieved

Which of the following can be considered as a factor of internal strengths and weaknesses of an organization?

► Technological changes
► Production/operations
► Demographics
► Competitive trends

Question No: 2 (Marks: 1) - Please choose one
The objectives set by a manager should have which of the following characteristics?
► Should spell out how fast the company's strategy is to be implemented
► Should be challenging and congruent among organizational units
► Should include long-range performance targets but not short-range targets
► Should include financial performance targets but not strategic performance targets
Objectives are essential for organizational success because they state direction; aid in evaluation; create synergy; reveal priorities; focus coordination; and provide a basis for effective planning, organizing, motivating and controlling activities. Objectives should be challenging, measurable, consistent, reasonable, and clear. In a multidimensional firm, objectives should be established for the overall company and for each division.

Question No: 3 (Marks: 1) - Please choose one
All of the following are the examples of a broad mission EXCEPT:
► The firm deals in beverages
► We sell quality skimmed milk
► Stationery is our product
► Company manufactures food items
Broad Mission:
Broad mission wider our mission values in terms of product and services, offered, market served, technology used and opportunity of growth. But main flow of this mission that if creates confusion among employee due to its wider sense.

Question No: 4 (Marks: 1) - Please choose one
Which of the following business actions is NOT considered to be unethical?
► Poor product or service safety
► Using non-union labor in a union shop
► Misleading advertising
☐ Too expensive products WRONG

PAGE 15: Some business actions *always* considered to be unethical include misleading advertising or labeling, causing environmental harm, poor product or service safety, padding expense accounts, insider trading, dumping banned or flawed products.

Question No: 5 (Marks: 1) - Please choose one

"A Good mission statement identifies the utility of a firm's products to its customers"; which of the following represents this statement?

► Organization's philosophy
► Customer orientation
☐ Social policy WRONG
► Declaration of attitude
A Customer Orientation
Good mission statement identifies the utility of a firm's products to its customers. This is why AT&T's mission statement focuses on communication rather that on telephones'

Question No: 6 (Marks: 1) - Please choose one
Where an organization takes into account the effect of its strategic decisions on the society, the firm is taking care of:

- ► Corporate governance
- ► Business policy
- ► Business ethics
- ► **Social policy**

Question No: 7 (Marks: 1) - Please choose one
External assessment is performed in which of the following strategic-management phase?

- ► **Strategy formulation stage**
- ► Strategy implementation stage
- ► Strategy evaluation stage
- ► All of the given options

Question No: 8 (Marks: 1) - Please choose one
Suppose, the value of the currency of a certain country falls, what can be the effect on companies in Different Industries and in Different Locations in that country respectively?

- ► Significant and equal
- ► Marginal and equal
- ► **Significant and unequal**
- ► Insignificant and unequal

Question No: 10 (Marks: 1) - Please choose one
Local, state, and national elections, world oil, currency, and labor markets, number of patents, special tariffs are the examples of which one of the following?

- ► Economic forces
- ► **Political, governmental, and legal forces**
- ► Social, cultural and, demographic forces
- ► Competitive forces

Page 36: Impact of political variables on government regulations:
 Government regulation/deregulation Tax law changes Special tariffs Political Action Committees (PACs) Voter participation rates Number of patents Changes in patent laws

Question No: 11 (Marks: 1) - Please choose one
Which one of the following is <u>NOT</u> is a basic mission of a competitive intelligence program?

- ► To provide a general understanding of an industry
- ► To provide a general understanding of a company's competitors
- ► **To identify industry executives who could be hired by the firm**
- ► To identify potential moves a competitor might make that would endanger a firm

Question No: 12 (Marks: 1) - Please choose one
Which of the following arise when a company can take advantage of conditions in its environment to formulate and implement strategies that enable it to become more profitable?

- ► Strengths
- ► **Opportunities**
- ► Weaknesses
- ► Threats

Question No: 13 (Marks: 1) - Please choose one
Assigning 1 rating to a key external factor indicates that:

► Response is superior
► Response is above average
► Response is average
► **Response is poor**

page44: Assign a 1-to-4 rating to each key external factor to indicate how effectively the firm's current strategies respond to the factor, where = 4 the response is superior, 3 = the response is above average, 2 = the response is average, and 1 = the response is poor.

Question No: 14 (Marks: 1) - Please choose one
Assigning rating '2' to an internal factor in IFE matrix indicates what?
► Major weakness
► **Minor weakness**
► Minor strength
► Major strength

page47: Assign a 1-to-4 rating to each factor to indicate whether that factor represents a major weakness (rating = 1), a minor weakness (rating = 2), a minor strength (rating = 3), or a major strength (rating = 4). Note that strengths must receive a 4 or 3 rating and weaknesses must receive a 1 or 2 rating.

Question No: 15 (Marks: 1) - Please choose one
Life-directing attitudes that serve as behavioral guidelines are known as:
► **Values**
► Rites
► Beliefs
► Sagas

Page 52: Values: Life-directing attitudes that serve as behavioral guidelines

Question No: 16 (Marks: 1) - Please choose one
Which of the following is the first step in the controlling function of management?
► Take corrective actions
► Restrict breaks employees take
► Evaluate expense reports
► **Establish performance standards**

Page 59: Controlling consists of four basic steps:
1. Establishing performance standards
2. Measuring individual and organizational performance
3. Comparing actual performance to planned performance standards
4. Taking corrective actions

Question No: 17 (Marks: 1) - Please choose one
The steps required to perform cost/benefit analysis include all <u>BUT</u>:
► Comparing the total costs with the total benefits
► Figure out the total costs associated with a decision
► **Approximation of the total benefits from the decision**
► Adding the total cost and total benefit

Page 63: Three steps are required to perform a *cost/benefit analysis:*
☐ Compute the total costs associated with a decision,
☐ Estimate the total benefits from the decision, and
☐ Compare the total costs with the total benefits.

Question No: 18 (Marks: 1) - Please choose one
Which of the following ratios is least likely to be helpful in evaluating a firm's decision regarding dividend?
► Earnings-per-share ratio
► **Long-Term Debt-to-Equity Ratio**
► Dividends-per-share ratio
► Price-earnings ratio

Question No: 19 (Marks: 1) - Please choose one

Which of the following is the first step in developing an IFE Matrix?

- ► Summing the weighted scores for each variable
- ► **Identifying the organization's strengths and weaknesses**
- ► Identifying the organization's functions of business
- ► Determining the lead strategist

Page75: Internal Factor Evaluation (IFE) Matrix. This strategy-formulation tool summarizes and evaluates the major **strengths and weaknesses** in the functional areas of a business, and it also provides a basis for identifying and evaluating relationships among those areas.

Question No: 20 (Marks: 1) - Please choose one

The business strategy decided upon by ABC Corporation is one that engages it in production of goods that are low in cost as compared to its competitors. ABC Company is perusing which one of the following strategy?

- ► Differentiation strategy
- ► Focus strategy
- ► Niche strategy
- ► **Cost leadership strategy**

Question No: 21 (Marks: 1) - Please choose one

The strategy embraced by Ahmad Bros. is to address the needs of a very selected and specialized market segment. Ahmad Bros. is most likely to engage in which one of the following types of strategy?

- ► Differentiation strategy
- ► Best value strategy
- ► **Focus strategy**
- ► Low cost strategy

Page87: Focus Strategy - Cost Focus

In this strategy the firm concentrates on a select few target markets. It is also called a focus strategy or niche strategy. It is hoped that by focusing your marketing efforts on one or two narrow market segments and tailoring your marketing mix to these specialized markets, you can better meet the needs of that target market.

Question No: 22 (Marks: 1) - Please choose one

Which of the following is NOT a situation when an organization should use an unrelated diversification strategy?

- ► When an organization's present channels of distribution can be used to market the new products to current customers
- ► **Revenues from current products/services would increase significantly by adding the new related products**
- ► When an organization competes in a highly competitive and/or a no-growth industry
- ► When the new products have counter-cyclical sales patterns compared to an organization's present products

Revenues from current products/services would increase significantly by adding the new **unrelated** products

Question No: 23 (Marks: 1) - Please choose one

Smoothies Tire & Rubber Co. is selling its North American tire business to Avinza International, is an example of which type of strategy?

- ► Related diversification
- ► Retrenchment
- ► **Divestiture**
- ☐ Liquidation

Page 94: Divestiture

Selling a division or part of an organization is called *divestiture.* Divestiture often is used to raise capital for further strategic acquisitions or investments.

Question No: 24 (Marks: 1) - Please choose one

A joining of two companies through one company buying more than one half of the other company's stocks is known as:

- ☐ Monopolization
- ☐ **A spin-off**
- ☐ An acquisition
- ☐ A merger

Question No: 25 (Marks: 1) - Please choose one

Which of the following environment includes all those factors which affect the organization and is itself affected by the organization?

- ☐ **Task environment**
- ☐ Social environment
- ☐ External environment
- ☐ Internal environment

Page 9: Task Environment:

Task environment includes all those factors which affect the organization and itself affected by the organization. These factor effects the specific related organizations. These factors are shareholders community, labor unions, creditor, customers, competitors, trade associations.

Question No: 26 (Marks: 1) - Please choose one

Which of the following is a key merit of strategic management?

- ☐ **Strategic management enables an organization to be proactive**
- ☐ Strategic management enables an organization to avoid the threats
- ☐ Strategic management enables an organization to defeat their competitors
- ☐ Strategic management enables an organization to foresee into the future

Page 11: Following are the major benefits of Strategic management:

☐ Proactive in shaping firm's future
☐ Initiate and influence actions
☐ Formulate better strategies (Systematic, logical, rational approach)

Question No: 27 (Marks: 1) - Please choose one

Developing vision and mission statements is important because of the following reasons EXCEPT:

- ☐ They are the basis for allocating resources
- ☐ **They are useful for large firms only**
- ☐ They establish organizational culture
- ☐ They translate objectives into work structure

Question No: 28 (Marks: 1) - Please choose one

All of the following are the circumstances when forward integration strategies are beneficial to be practiced EXCEPT:

- ☐ Availability of quality distributors is limited wrong
- ☐ **Existing markets for present products are saturated**
- ☐ Advantages of stable production are high
- ☐ Present distributors have high profit margins

Page 82: Guidelines for the use of integration strategies:

Six guidelines when forward integration may be an especially effective strategy are:

☐ Present distributors are expensive, unreliable, or incapable of meeting firm's needs
☐ Availability of quality distributors is limited
☐ When firm competes in an industry that is expected to grow markedly
☐ Organization has both capital and human resources needed to manage new business of distribution
☐ Advantages of stable production are high
☐ Present distributors have high profit margin

Question No: 1 (Marks: 1) - Please choose one

Which of the following is an example of a narrow mission?