

## **STRATEGIC MANAGEMENT AND CORPORATE GOVERNANCE**

1. **Horizontal integration is concerned with**  
(A) Production (B) Quality (C) Product planning (D) All of the above
  
2. **It refers to formal and informal rules, regulations and procedures that complement the company structure**  
(A) Strategy (B) Systems (C) Environment (D) All of the above
  
3. **Micro environment is the ..... environment of a company.**  
(A) Working (B) Human (C) External (D) Internal
  
4. **Techniques used in environmental appraisal are**  
(A) single-variable extrapolation/multivariable interaction analysis  
(B) Structured/ unstructured expert/inexpert opinion  
(C) Dynamic modes and mapping (D) All of the above
  
5. **The actual performance deviates positively over the budgeted performance. This is an indication of ..... performance.**  
(A) Superior (B) inferior (C) constant (D) any of the above
  
6. **Criteria for making an evaluation is (are)**  
(A) Consistency with goals (B) Consistency with environment (C) Money (D) All of the above
  
7. **The ..... of any organization is “the aggregate of all conditions, events and influences that surround and affect it.”**  
(A) system (B) environment (C) structure (D) strategy
  
8. **Strategic management is mainly the responsibility of**



- (A) Lower management (B) Middle management (C) Top management  
(D) All of the above
9. **The major issue(s) of appraisal system is (are)**  
(A) Factors of appraisal (B) Relevance of appraisal (C) Procedure of appraisal (D) All of the above
10. **Formal systems are adopted to bring \_\_\_\_\_ & amalgamation of decentralized units into product groups.**  
(A) Manpower (B) Co-ordination (C) Production (D) All of the above
11. **Market research is conducted by**  
(A) By employees (B) By research agencies (C) By consultants (D) all of the above
12. **Vertical integration is concerned with**  
(A) supply chain (B) production (C) Quality (D) planning
13. **ETOP stands for \_\_\_\_\_.**  
(A) environmental threat & opportunity project  
(B) environmental threat & opportunity profile  
(C) environmental treaty & opportunity profile  
(D) environmental threat & optimum profile
14. **The control process requires the following types of information**  
(A) Planned performance (B) Variances (C) Reasons (D) All of the above
15. **Financial environment is concerned with**  
(A) demand & supply of money (B) capital markets (C) both 'A' and 'B'  
(D) None of the above
16. **The process of forecasting an organization's future demands for and supply of right type of people in right number is**  
(A) Product planning (B) Process planning (C) Man power planning  
(D) All of the above



17. **It is designed to monitor a broad range of events inside and outside the company that are likely to threaten a firm's strategy**  
(A) Strategic surveillance (B) Strategic planning (C) both 'A' and 'B'  
(D) None of the above
18. **Harvest strategy is used for**  
(A) Dogs (B) Question marks (C) both 'A' and 'B' (D) none of the above
19. **These are critical situations that occur unexpectedly and threaten the course of a firm's strategy**  
(A) Crisis (B) Emergency (C) Shutdown (D) All of the above
20. **Attack strategies are**  
(A) frontal attack (B) flank attack (C) encirclement attack (D) all of the above
21. **An approach that strives to follow ethical principles and percepts is**  
(A) Moral management (B) Immoral management (C) Amoral management (D) None of the above
22. **Niche marketing means**  
(A) End user specialist (B) Specific customer specialist (C) Geographic specialist (D) all of the above
23. **Type(s) important managerial skill(s) required for the effective strategic management**  
(A) Conceptual skill (B) Human skill (C) Intellectual skill (D) all of the above
24. **The model(s) of social responsibility is (are)**  
(A) Austere Model (B) Vendors Model (C) Civic Model (D) all of the above
25. **Delay in \_\_\_\_\_ measurement defeats the purpose of evaluation.**  
(A) Time (B) Quality (C) Production (D) All of the above



26. **Module of Flotilla strikes an optimum balance of \_\_\_\_\_ and flexibility**  
(A) Optimisation (B) Standardisation (C) Organization (D) All of the above
27. **The \_\_\_\_\_ are distinct little business set up as units in a larger company.**  
(A) Small business Units (B) Strategic business Units (C) Internal business Units (D) All of the above
28. **Knowledge of the relationships between choices, environment & outcomes is**  
(A) Familiarity (B) Conversancy (C) Informality (D) Normality
29. **\_\_\_\_\_ should have the ability to develop a vision to see patterns into the future.**  
(A) Leaders (B) Managers (C) Management (D) Workers
30. **Product differentiation refers to the:**  
(A). ability of the buyers of a product to negotiate a lower price.  
(B). response of incumbent firms to new entrants.  
(C). belief by customers that a product is unique.  
(D). fact that as more of a product is produced the cheaper it becomes per unit.
31. **Which of the following is NOT an entry barrier to an industry?**  
(A). expected competitor retaliation  
(B). economies of scale  
(C). customer product loyalty  
(D). bargaining power of suppliers
32. **Switching costs refer to the:**  
(A). cost to a producer to exchange equipment in a facility when new technologies emerge.



- (B). cost of changing the firm's strategic group.  
(C). one-time costs suppliers incur when selling to a different customer.  
(D). one-time costs customers incur when buying from a different supplier.
- 33. The framework for establishing good corporate governance and accountability was originally set up by the**  
(A) Thornton Committee (B) Rowntree Committee (C) Nestlé Committee (D) Cadbury Committee
- 34. Which of the following is not one of the underlying principles of the corporate governance**  
(A) accountability (B) acceptability (C) openness (D) integrity
- 35. In a two-tier structure of corporate governance:**  
(A) Members of the supervisory board are appointed by the executive board.  
(B) The chair of the non-executive board is also chair of the executive board.  
(C) CEO and chair of the board are split.  
(D) Non-executives are responsible for the day-to-day operations.
- 36. Which of the following is not a responsibility of audit committees?**  
(A) Reviewing corporate reporting processes. (B) Management compensation.  
(B) Relations with the independent auditor. (D) Monitoring management.
- 37. Benchmarking is**  
(A) Historical analysis (B) Competitive analysis (C) Re-engineering  
(D) All of the above
- 38. Macro environment**  
(A) Political- legal (B) socio-cultural (C) economic-demographic (D) All of the above



39. **A major part of strategy implementation is**  
(A) Planning (B) Communication (C) Resource allocation (D) Monitoring
40. **These people are charged with the responsibility of continuous screening of performance?**  
(A) Managers (B) Supervisors (C) Top management (D) Audit committee
41. **\_\_\_\_\_ and greater accountability replace formal control.**  
(A) Self-discipline (B) Self appraisal (C) both 'A' and 'B' (D) None of the above
42. **..... function applies to all company levels irrespective of levels of hierarchy.**  
(A) Planning (B) Organizing (C) Staffing (D) Directing
43. **Three C's affecting today's companies are**  
(A) Customer, Competition, Change (B) Cost, Competition, Change  
(C) Customer, Competition, Cost (D) Customer, Cost, Change
44. **Strategic management is concerned with**  
(A) Short range planning (B) Long range planning  
(C) Both 'A' and 'B' (D) None of the above
45. **It provides a way to bring in the people dimension in macro company analysis without using psychological models of human behaviour.**  
(A) Environment (B) Society (C) Culture (D) All of the above
46. **It is used extensively in organisation and is concerned with action or performance.**  
(A) Operational control (B) Production control (C) Quality control  
(D) All of the above
47. **Companies employ trained \_\_\_\_\_ to develop "competency models" to identify potential leaders.**  
(A) Consultants (B) Psychologists (C) Trainers (D) All of the above



48. **Style of a company are the patterns of actions taken by members of .... management over a period of time**  
(A) Top (B) Middle (C) Lower (D) Any of the above
49. **It concentrates on organisation design and work flow**  
(A) Systems approach (B) Flotilla (C) Method study (D) Work study
50. **The benefits of a change in process are defined in terms of \_\_\_\_\_ cost savings**  
(A) Labour (B) Infrastructure (C) Production (D) Raw material
51. **According to the five factors model, an attractive industry would have all of the following characteristics EXCEPT:**  
(A) low barriers to entry.  
(B). suppliers with low bargaining power.  
(C). a moderate degree of rivalry among competitors. (D). few good product substitutes.
52. **Internal analysis enables a firm to determine what the firm**  
(A). can do. (B). should do. (C). will do. (D). might do.
53. **To be a core competency, a capability must satisfy all of the following criteria EXCEPT:**  
(A). be technologically innovative.  
(B). be hard for competing firms to duplicate.  
(C). be without good substitutes. (D). be valuable to customers.
54. **BCG in BCG matrix stands for**  
(A) Boston Calmette Group  
(B) British Consulting Group  
(C) Boston Corporate Group  
(D) Boston Consulting Group
55. **What does Dog symbolise in BCG matrix**  
(A) introduction (B) growth (C) maturity (D) decline

**56. The GE 9 Cell model is based on**

- (A) industry attractiveness and business strength
- (B) industry growth rate and business strength
- (C) industry attractiveness and relative market share
- (D) industry growth rate and relative market share

**57. The word tactic is most likely to be associated with**

- (A) business strategy
- (B) corporate strategy
- (C) operational strategy
- (D) none

**58. A whistleblower procedure should be implemented:**

- (A) For receipt, retention and treatment of complaints received by the company regarding accounting, internal controls or auditing matters.
- (B) As a tool of public relations
- (C) To support the internal audit department.
- (D) As a tool of management.

**59. The goal of corporate governance and business ethics education is to**

- (A) Teach students their professional accountability and to uphold their personal Integrity to society.
- (B) Change the way in which ethics is taught to students.
- (C) Create more ethics standards by which corporate professionals must operate.
- (D) Increase the workload for accounting students.

**60. The corporate governance structure of a company reflects the individual companies'**

- (A) Cultural and economic system.
- (B) Legal and business system.
- (C) Social and regulatory system.
- (D) All of the above.