

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.