**Strategic Management: Strategists at Work 2023**

**SECTION B MULTIPLE CHOICE DATABASE**

1. “Hypercompetition” was defined by D’Aveni as period when…
   1. The frequency, boldness and aggressiveness of dynamic movements by competitors accelerate to produce conditions of disequilibrium and constant change
   2. Too many firms compete on the same industry
   3. Two competitors face the same challenges
   4. None of the above
2. When evaluating the external environment which of the following strategic tools is a helpful starting point?
   1. The BCG Matrix
   2. Ansoff’s Matrix
   3. PEST analysis
   4. None of the above
3. What does PEST stand for?
   1. Nothing in particular
   2. Political, economic, social and technological trends
   3. Political, economic, suitable, technological trends
   4. None of the above
4. PEST analysis is a useful technique for…
   1. Trying to read the implications of longer-term changes in the broad business environment.
   2. Examining core competencies
   3. Evaluating options for launching a new product
   4. None of the above
5. Which of the following would be an example of a social trend affecting a company’s strategy?
   1. Taxation policy
   2. Interest rates
   3. Property prices
   4. Demographics
6. If you were to do a PEST analysis, which of the following would be an example of a political trend?
   1. R&D investment
   2. Inflation
   3. Taxation policy
   4. Patents rates
7. When doing a PEST analysis which of the following sources of data can be of use?
   1. Reports and databases
   2. Proxy data
   3. Publically available data
   4. All of the above
8. When evaluating the external environment using PEST analysis it is important to consider…
   1. Magnitude of change
   2. Rate of change
   3. Feedback loops between individual changes
   4. All of the above
9. A PEST analysis provides an overview of…
   1. The key players within a competitive environment
   2. Various external sectors to determine positive and negative trends that could impact organizational performance
   3. What is going to happen in the long term future
   4. All of the above
10. Which are the steps of a PEST analysis as proposed by MacIntosh, MacLean and Robinson?
    1. Look for trends, interrelate, prioritize
    2. List all possible factors influencing a firm’s environment and notice patterns
    3. Focus on one area of interest from snapshot data and change strategy
    4. None of the above
11. The end goal of using a PEST analysis technique should be to…
    1. Understand competition
    2. Change your strategy
    3. Identify trends in the macro-environment and identify implied strategic moves
    4. Understand your core competencies
12. In cases of unpredictable circumstances in the competitive environment which of the following strategic tools is a good starting point for an analysis?
    1. Porter’s Five Forces
    2. Scenario Planning
    3. SWOT
    4. None of the above
13. According to MacIntosh, MacLean and Robinson, scenario planning offers…
    1. Multiple plausible views of how uncertainties might play out
    2. Insights on the ways in which competitors are developing their strategy
    3. A secure way of predicting future trends
    4. All of the above
14. In order to think strategically one should consider that…
    1. Firms are in a co-evolutionary relationship with their environment
    2. PEST helps with trend data and visible changes
    3. Scenario thinking helps with deep seated uncertainties
    4. All of the above
15. Which of the following is NOT a common analytical technique used by senior management to help assess the relative performance of multiple business units?
16. Boston Consulting Group Matrix
17. Scenario Planning
18. Industry Life Cycle
19. McKinsey-GE Model
20. Birger Wernerfelt defines resources as…
21. Weaknesses of the organization
22. Strengths of the organization
23. Materials and equipment owned by the organization
24. Anything that can be thought of as a strength or weakness of the organization
25. What does the abbreviation RBV stand for?
26. Resource-based view
27. Resource-biased view
28. Research-based view
29. Reality-based view
30. MacIntosh, MacLean and Robinson claim that resources…
31. Can be tangible
32. Can be intangible
33. Can be either tangible or intangible
34. Can be neither tangible or intangible
35. MacIntosh, MacLean and Robinson define capabilities as…
36. The way(s) in which firms deploy resources
37. Tangible assets such as equipment
38. Intangible assets such as brand
39. None of the above
40. Sidney Winter defines dynamic capabilities as…
41. Capabilities relating to speed of operations
42. How we make money today
43. How we change how we make money today
44. All of the above
45. Competitive advantage usually flows from…
46. Access to one particular resource
47. An interlocking set of capabilities
48. A set of independent capabilities
49. A strong management team
50. MacIntosh, MacLean and Robinson suggest that individuals acquire exceptional skill…
51. Purposeful practice
52. Innate talent
53. Good coaching
54. A combination of the above
55. How many hours of practice does it take to attain world class performance of a skill?
56. 100
57. 1,000
58. 10,000
59. 100,000
60. MacIntosh, MacLean and Robinson argue that…
61. Individual capability and organizational capability are synonymous
62. The link between individual and organizational capability is not well understood
63. Organizational capability is less important than individual capability
64. Organizational capability is more important that individual capability
65. Dorothy Leonard argues that…
66. Core rigidities are unimportant
67. Core rigidities are unrelated to core competences
68. core competences can become core rigidities
69. Core rigidities can help firms build competitive advantange
70. The Icarus Paradox is a book written by…
71. Craig Robinson
72. Michael Porter
73. Igor Ansoff
74. Danny Miller
75. SWOT analysis was introduced to the strategy literature in…
76. The 1960s
77. The 1970s
78. The 1980s
79. The 1990s
80. According to MacIntosh, MacLean and Robinson, which of the following is not a weakness of SWOT analysis?
81. There is no requirement to rank or prioritise items in a SWOT analysis
82. The technique can be very time consuming to use
83. SWOT does not examine links between items in the analysis
84. Classifying something as strength/weakness or opportunity/threat depends entirely on the viewpoint of the analyst
85. Which of the following does not appear in MacIntosh, MacLean and Robinson’s list of generic strengths?
86. People
87. Technology
88. Speed to market
89. Physical assets
90. When describing capability, MacIntosh, MacLean and Robinson suggest using which of the following phrases?
91. It’s because we are able to …
92. It’s because we know how to …
93. We have the skills to …
94. It’s our ability to …
95. Superior organizational capability is…
96. Rarely an accident and requires time
97. Often down to chance and happens quickly
98. Often connected with a single individual
99. Usually connected to a single activity
100. The 5 Whys technique originates from which automotive firm?
101. Nissan
102. Toyota
103. Honda
104. Kia
105. Mansour Javidan argues that capability assumes greater importance when…
106. It is embedded in one part of the organization
107. It relates to one product / service but not others
108. It is embedded in every part of the organization
109. It produces performance which is not demonstrably different from your competitors
110. Which if the following is not a characteristic of resources identified in Jay Barney’s framework?
111. Valuable
112. Rare
113. Important
114. Non-substitutable
115. Which of the following scholars is closely associated with research on capabilities and/or resources?
116. Michael Porter
117. Alfred Sloan
118. Alfred Chandler
119. Edith Penrose
120. MacIntosh, MacLean and Robinson’s approach to analysing capabilities involves…
121. One step
122. Two steps
123. Three steps
124. Four steps
125. MacIntosh, MacLean and Robinson argue that…
126. All strengths identified in a SWOT analysis will meet Barney’s VRIN criteria
127. Some strengths identified during a SWOT analysis will meet Barney’s VRIN criteria
128. Some strengths identified during a SWOT analysis may meet Barney’s VRIN criteria
129. No strengths identified during a SWOT analysis will meet Barney’s VRIN criteria
130. Investments in the development of capabilities are important because…
131. They are typically easy to reverse
132. They are typically irreversible
133. They indicate a clear understanding of competitiveness
134. None of the above
135. At corporate level, the scope of an organization relates to…
136. The breadth of the portfolio of SBUs
137. The number of SBUs
138. The size of the SBUs
139. The number of customers served
140. Which of the following is NOT a decision made at the corporate level of a firm?
141. Which industries to enter
142. The degree of synergy between the businesses in the portfolio
143. How to compete in a given market
144. How to add value to the businesses in the portfolio
145. Substantial changes in the range of products sold or the markets served by an organization or both are known as…
146. Differentiation
147. Diversification
148. Relocation
149. Brand extension
150. The Boston Consulting Group Matrix is used to assess…
151. The size of a portfolio of businesses
152. The extent to which the corporate centre can add value to the businesses
153. The balance of the portfolio of businesses
154. The scope of the portfolio
155. Conglomerate diversification is another name for…
156. Unrelated diversification
157. Related diversification
158. Portfolio diversification
159. Acquisition diversification
160. Cash cows are SBU's that typically generate…
161. Problems for product managers
162. Losses in the long run due to lots of competition
163. Large awareness levels but few sales
164. Large amounts of cash
165. What term is used to describe a business unit, which has low market growth but high market share?
166. Star
167. Cash cow
168. Question mark or Problem Child
169. Dog
170. The task of crafting corporate strategy for a diversified company encompasses…
171. Establishing investment priorities and steering corporate resources into the most attractive business units
172. Pursuing opportunities to leverage cross-business value chain relationships and strategic fits into competitive advantage
173. Initiating actions to boost the combined performance of the businesses the firm has entered
174. All of these
175. To create value for shareholders via diversification, a company must…
176. Get into new businesses that are profitable
177. Diversify into industries that are growing rapidly
178. Spread its business risk across various industries by only acquiring firms that are strong competitors in their respective industries
179. Diversify into businesses that can perform better under a single corporate umbrella than they could perform operating as independent, stand-alone businesses
180. What does Stars symbolise in Boston Consulting Group Matrix?
181. Introduction
182. Growth
183. Maturity
184. Decline
185. What does a Question Mark (?) symbolise in Boston Consulting Group Matrix?
186. Unstable
187. Invest
188. Stable
189. Divest
190. What do Cash Cows symbolise in Boston Consulting Group Matrix?
191. Unstable
192. Invest
193. Stable
194. Divest
195. The Boston Consulting Group Matrix assesses each business unit of a company by examining their…
196. Industry attractiveness and Business Strengths
197. Industry Growth Rate and Business Strengths
198. Industry attractiveness and Relative Market Share
199. Industry Growth Rate and Relative Market Share
200. The merger of a dairy farming business with a supplier of agricultural foodstuffs is an example of…
201. Vertical integration
202. Complementary integration
203. Horizontal integration
204. Conglomerate integration
205. Which of the following are commonly cited reasons for Mergers and Acquisitions?
206. Synergy
207. Market power
208. Strategic realignment
209. All of the above
210. A merger is a combination of businesses in which…
211. Two firms agree to integrate their operations on a relatively co-equal basis
212. One firm buys a controlling, 100 per cent interest in another firm with the intent of making the firm a subsidiary business within its portfolio.
213. One of two firms becomes a wholly owned subsidiary of the other firm.
214. None of the above
215. Vertical mergers are those in which the participants are…
216. in the same industry
217. in different industries
218. in different parts of the value chain
219. None of the above
220. Which of the following is NOT a common reasons for a mergers or acquisitions?
221. Synergy
222. Increase market power
223. Raising the cost of capital
224. Economies of scale
225. Which of the following is NOT a common problem with mergers or acquisitions?
226. Inability to achieve synergies
227. Larger size may lead to fewer bureaucratic controls
228. Too much diversification
229. Firms become less innovative
230. A strategic alliance is…
231. An informal agreement between two or more firms to share resources
232. A joint venture between two or more parties
233. An agreement between two or more firms to work together and share resources on a single project for a finite period of time
234. None of the above
235. Corporate level strategy is concerned with…
236. Competitive strategy of SBUs
237. Directions of growth e.g. Ansoff matrix
238. The scope of an organisation and how value is added (or destroyed) at corporate level
239. Addressing threats and opportunities in the macro-environment and leveraging strategic capability to create and sustain competitive advantage
240. What term is used to describe a business unit, which has both low market growth and market share?
241. Star
242. Question mark or Problem child
243. Cash cow
244. Dog
245. What term is used to describe a business unit, which has both high market growth and market share?
246. Star
247. Question mark or Problem child
248. Cash cow
249. Dog
250. What term is used to describe a business unit, which has high market growth, but low market share?
251. Star
252. Question mark or Problem child
253. Cash cow
254. Dog
255. Which of the following is NOT an acceptable economic justification for one company acquiring another?
256. Increase in earnings per share
257. Economies of scope
258. Increase in market share
259. Economies of scale
260. The shareholders of a target firm benefit the most when…
261. the management of both the acquiring firm and the target firm are as equivalent as possible
262. the management of the target firm is more efficient than the management of the acquiring firm which replaces them
263. an acquiring firm has the better management team and replaces the target firm’s managers
264. their current management team is kept in place even though the managers of the acquiring firm are more suited to manage the target firm’s situation
265. Which of the following is NOT a framework for analysing the corporate portfolio?
266. The Industry Life Cycle
267. The BCG matrix
268. The value chain
269. McKinsey-GE Model
270. The merger of a fibre producer and a clothing firm would be a \_\_\_\_\_\_\_\_\_\_\_\_ merger.
271. Conglomerate
272. Horizontal
273. Homogeneous
274. Vertical
275. The merger of two clothing firms would be a \_\_\_\_\_\_\_\_\_\_\_\_ merger.
276. Horizontal
277. Homogeneous
278. Conglomerate
279. Vertical
280. Which of the following statements is NOT true about corporate strategies?
281. They are concerned with the broad and more long-term issues of the organisation
282. They are concerned with how the organization is going to compete in a specific business or industry
283. They are concerned with the direction the organization is headed
284. They are concerned with the business(es) that the organization is in and the businesses they want to be in.
285. A joint venture is…
286. An informal agreement between two or more firms to share resources
287. An agreement between two or more firms to work together and share resources on a single project for a finite period of time
288. An agreement between two or more parties involving the formation of a third entity for a lengthy or indeterminate period of time.
289. None of the above
290. How are strategic options defined by MacIntosh, MacLean and Robinson?
     1. As strategy statements
     2. As plausible courses of action, which could deliver the particular combination of ends, means and conditions articulated in the strategy
     3. As actions that lead towards enhancing core competencies
     4. As alternatives to the organization’s current strategy
291. Which of the following features should a strategic option incorporate?
     1. A broad sense of direction
     2. A goal
     3. A time frame
     4. A plausible set of strategic moves that could deliver the objectives set within a given strategy
292. When thinking about the natural life cycle of products or services which of the following strategic tools is a useful starting point?
     1. The Boston Consulting Group matrix (BCG matrix)
     2. PEST analysis
     3. Porter’s five forces model
     4. None of the above
293. What types of activities are mapped in a BCG matrix?
     1. Market growth and market value
     2. Relative market share and relative market growth
     3. Brand equity and market share
     4. Market value and Total Revenue
294. Which of the following can be the main strategic aim(s) for an organization?
     1. Growth
     2. Retrenchment
     3. Consolidation
     4. Any of the above
295. In the option configurator, which of the following strategic tools is used to classify ways of achieving growth?
     1. The Ansoff Matrix
     2. SWOT analysis
     3. PEST analysis
     4. Porter’s five forces model
296. Which growth alternatives are identified in the Ansoff matrix?
     1. Market penetration and product/service development
     2. Market development and diversification
     3. Market penetration and diversification
     4. All of the above
297. In the case of a retail chain, which of the following is an example of market penetration strategy, as described in the Ansoff matrix?
     1. Restructuring the distribution channel
     2. Building new concept stores for new clients
     3. Building more or bigger stores selling existing product range to existing customers
     4. Closing down a number of existing stores
298. In the case of a product company which of the following is an example of market development strategy, as described in the Ansoff matrix?
     1. Offering the same product to new customers
     2. Offering a new product to new customers
     3. Offering a new product to the same customers
     4. None of the above
299. In the case of a service organization which of the following is an example of a diversification strategy, as described in the Ansoff matrix?
     1. Offering an existing service to a new customer base
     2. Offering a new service to a new customer base
     3. Offering an existing service to existing customers
     4. None of the above
300. Which of the following is an example of a product/ service development strategy, as described in the Ansoff matrix?
     1. Offering an existing product/service to a new customer base
     2. Offering an existing product/service to existing customers
     3. Offering a new product/service to a new customer base
     4. None of the above
301. Which method(s) is/are identified in the option configurator as a way for a firm to execute its strategy?
     1. Organic growth
     2. Acquisition
     3. Partnership
     4. All of the above
302. Which is the key characteristic of organic growth strategy?
     1. The organization sells one or more of its operating units
     2. The organization delivers growth through its own business activities
     3. The organization delivers growth through acquisition of key competitors
     4. None of the above
303. Which are the two key generic strategies originally proposed by Porter?
     1. Premium price and differentiation
     2. Service excellence and innovation
     3. Cost leadership and differentiation
     4. Differentiation and Blue Ocean Strategy
304. Which of the following is an example of a blue ocean strategy?
     1. The launch of a new gaming experience for non-traditional gaming audience through Nintendo Wii
     2. Nintendo offering more products to its existing target audience
     3. Apple restructuring its retail stores
     4. Apple introducing new colour alternatives for its iPods
305. Which are the criteria for evaluating strategic options proposed by MacIntosh, MacLean and Robinson?
     1. Appropriateness, flexibility and suitability
     2. Appropriateness, achievability, astuteness, suitability
     3. Astuteness, achievability, suitability
     4. Achievability, originality, resilience
306. What elements does a firm evaluate when considering the appropriateness of a strategic option?
     1. Fit with intent, capability and/or market/environmental needs
     2. Robustness in relation to scenario(s)
     3. Fit with likely competitive response(s)
     4. All of the above
307. What do we examine when we discuss about the achievability of a strategic option?
     1. Whether the organization can launch a new product
     2. Whether the organization can enter a new market
     3. Whether the organization has the resources, skills and time to deliver the strategic option
     4. None of the above
308. Which elements do we examine when we discuss about the astuteness of a strategic option?
     1. Fitness with (all) stakeholder expectations
     2. Degree of risk
     3. Likely financial returns and other relevant performance implications
     4. All of the above
309. What do we examine when we discuss about the sustainability of a strategic option?
     1. Whether the strategic option is doable within a certain time frame
     2. Whether the resolution of the immediate problem helps or harms the organisation over the medium to longer term
     3. Whether the strategic option will require an organizational restructuring
     4. None of the above