

National Testing Agency

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Introduction to Strategic Management

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Introduction to Strategic Management

Section Id : 416529102
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Question Shuffling Allowed : Yes

Question Number : 1 Question Id : 4165298056 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

An important implication of the resource-based perspective is that:

- a) Firms tend to adopt similar or close strategies
- b) Firms focus on uniqueness leading to increased firm heterogeneity
- c) Firms focus on preventing new entrants from entering the market
- d) Firms focus on becoming first movers

Question Number : 2 Question Id : 4165298057 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The concept of "core rigidities" implies that:

- a) Firms with the most highly developed capabilities may also have the greatest difficulty in developing new capabilities
- b) Firms must continually avoid becoming trapped by inertia
- c) Firms must convert static capabilities into dynamic capabilities
- d) The tenure of a CEO should not normally be allowed to exceed five years.

Question Number : 3 Question Id : 4165298058 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The Strengths and Weaknesses part of the SWOT analysis refers to _____ analysis, and the Opportunities and Threats part refers to _____ analysis

- a) Internal, Internal
- b) External, External
- c) Internal, External
- d) External, Internal

Question Number : 4 Question Id : 4165298059 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A strategy which is an outcome of detailed and deliberate planning is called _____ strategy, whereas a strategy which is a result of the collective experience, learning and day-to-day prioritization decisions of managers is called _____ strategy.

- a) Emergent, Intended
- b) Intended, Emergent
- c) Realized, Intended
- d) None of the above

Question Number : 5 Question Id : 4165298060 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Porter's Five Forces framework is NOT a tool for _____ analysis

- a) Internal
- b) Industry
- c) External
- d) None of the above

Question Number : 6 Question Id : 4165298061 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The purpose(s) of Porter's five forces framework is/are to:

- a) Assess the industry attractiveness
- b) Determine the profitability (or profit potential) of the industry
- c) Guide the strategic decisions and choices of the firm
- d) All of the above

Question Number : 7 Question Id : 4165298062 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Barriers to mobility are:

- a) Barriers that protect a segment from entry by firms established in other segments
- b) Barriers that protect a segment from entry by firms established in other industries
- c) Obstacles to a firm changing its strategy over time in response to its changing environment
- d) Barriers to adopting a globalization strategy and to developing a firm's business activities abroad

Question Number : 8 Question Id : 4165298063 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

If the barriers to entry for an industry are low, then the industry's attractiveness (as per Porter's framework) is -

- a) Not impacted
- b) High
- c) Low
- d) None of the above

**Question Number : 9 Question Id : 4165298064 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

If the expected retaliation from existing firms in an industry is very high, then the industry's attractiveness (as per Porter's five forces analysis) is -

- a) Increases
- b) Driven down
- c) Hardly matters
- d) All of the above

**Question Number : 10 Question Id : 4165298065 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

A firm's balance sheet provides limited guidance to a firm's resources and their value because:

- a) Balance sheets typically exclude most intangible resources
- b) Balance sheets are drawn up by accountants who know little about strategy
- c) Balance sheets take no account of a firm's capabilities
- d) Balance sheets only include those resources that are owned by the firm

**Question Number : 11 Question Id : 4165298066 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

Porter's Five Forces framework is at the _____ level and Resource Based View (RBV) is at the _____ level

- a) Industry, Firm
- b) Industry, Industry
- c) Firm, Firm
- d) Firm, Industry

**Question Number : 12 Question Id : 4165298067 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

Your firm is in an industry in which the exit barriers (e.g. government regulations for firms who want to leave the industry) are very high. Hence, the rivalry in your industry will be _____.

- a) Low
- b) High
- c) Not impacted
- d) Can't say

**Question Number : 13 Question Id : 4165298068 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

If your company enters into an arrangement with distributors such that it prohibits them from carrying products of competitors, then the threat of new entrants in your industry will decrease due to -

- a) Limited access to raw materials
- b) High capital investment required
- c) Unequal access to channels of distribution
- d) None of the above

**Question Number : 14 Question Id : 4165298069 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

When the buyers' switching costs for your product are very high, then the bargaining power of buyers is -

- a) Low
- b) High
- c) Not related
- d) None of the above

Question Number : 15 Question Id : 4165298070 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Some of the critics of Porter's Five Forces framework say that the government is also an important force in an industry and hence should be included in the analysis. Porter's response to this is -

- a) The government is not important
- b) The government does not impact any of the five forces
- c) The government's actions are reflected through their impact on one of the five forces and hence naturally get included in the industry analysis
- d) None of the above

Question Number : 16 Question Id : 4165298071 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The following is/are a part of the organization's resource-based view of strategy analysis

- a) Physical resources
- b) Intangible assets
- c) Capabilities
- d) All of the above

Question Number : 17 Question Id : 4165298072 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Goodwill and patents are considered as _____ for a firm under RBV

- a) Intangible resources
- b) Tangible resources
- c) Capabilities
- d) None of the above

Question Number : 18 Question Id : 4165298073 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Plant and machinery form the _____ resources for a firm

- a) Intangible
- b) Tangible
- c) Capable
- d) All of the above

Question Number : 19 Question Id : 4165298074 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Some of the resources become inimitable because of all that has happened over time along the path taken by the organization in their accumulation. This is called _____

- a) Physical uniqueness
- b) Path dependency
- c) Causal ambiguity
- d) None of the above

Question Number : 20 Question Id : 4165298075 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

When it is difficult to understand what a company's valuable resource/capability is and how to recreate it, then that characteristic of the resource, which makes it inimitable, is called -

- a) Physical uniqueness
- b) Path dependency
- c) Causal ambiguity
- d) Economic deterrence

Question Number : 21 Question Id : 4165298076 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The VRIN test for evaluating resources and capabilities under RBV does NOT include -

- a) The resource should be inimitable
- b) The resource should be durable
- c) The resource should be non-substitutable
- d) The resource should be valuable and rare

Question Number : 22 Question Id : 4165298077 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

If a resource or capability passes through all the tests of VRIN or VRIO framework under RBV, then it is said to provide the organization with -

- a) Competitive parity
- b) Temporary competitive advantage
- c) Sustainable competitive advantage
- d) Competitive disadvantage

Question Number : 23 Question Id : 4165298078 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of the following statements is/are INCORRECT ways of explaining corporate and business strategy?

- a) Corporate strategy answers the question 'Where to compete?
- b) Corporate strategy is the task of domain navigation and business strategy is the task of domain selection
- c) Corporate strategy helps a firm to locate in an industry where the overall rates of return are attractive and business strategy helps a firm to attain a position of advantage vis-a-vis its competitors within that industry and thus earn a return in excess of the industry average
- d) Corporate strategy defines the industries and markets in which it competes and business strategy is concerned with how the firm competes within a particular industry or market

Question Number : 24 Question Id : 4165298079 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The primary objective of analyzing the external environment of a firm in any industry is:

- a) The barriers of entry and exit in that industry
- b) The sources of profit in the industry
- c) The five forces of the Porter's model
- d) The expected level of profit in the mid-term for that industry

Question Number : 25 Question Id : 4165298080 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The threat of entry in any industry depends upon:

- a) The number of incumbents in that particular industry
- b) The level of profitability of the industry
- c) The height of entry barriers that are present and the reaction from incumbents
- d) The level of prices charged by the incumbents in the industry

Question Number : 26 Question Id : 4165298081 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The boundaries of any industry consist of:

- a) The scope of products or services
- b) The geographic scope
- c) The level of competition
- d) Both (a) and (b)

Question Number : 27 Question Id : 4165298082 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Network externalities, which exist when the value of a product to an individual customer depends on the number of other users of that product, arises from the following source(s) -

- a) Products where users are linked to a network
- b) Availability of complementary products and services
- c) Economizing on switching costs
- d) All of the above

Question Number : 28 Question Id : 4165298083 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Differentiation offers a _____ basis for competitive advantage over low cost strategies because_____.

- a) Inferior, the high cost of differentiation erodes profitability over time.
- b) Superior, differentiation is less vulnerable to changes in external environment and replication is difficult for competition.
- c) Superior, differentiation efforts inherently drives costs down leading to dual advantage.
- d) Inferior, low cost strategies leverage on economies of scale and are thus more fundamental to the business.

Question Number : 29 Question Id : 4165298084 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A differentiation advantage is said to exist when _____

- a) The price premium exceeds the cost of differentiation.
- b) Low cost strategy is susceptible to imitation.
- c) Low cost strategy offers inferior basis for sustainable competitive advantage.
- d) Causal ambiguity is sufficient to lead to uncertain imitability.

Question Number : 30 Question Id : 4165298085 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Competitive advantage can be defined as

- a) A firm's ability to achieve a greater market share than its competitors
- b) A firm's ability to consistently outperform the stock market index in terms of shareholder returns
- c) The ability for a firm to earn a persistent rate of profit which is higher than its rivals
- d) A concept that is meaningless because the definition requires so many approximations

Question Number : 31 Question Id : 4165298086 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The source of different firms having different competitive advantages emerges from Resource -

- a) Homogeneity
- b) Heterogeneity
- c) Hierarchy
- d) Hysteria

Question Number : 32 Question Id : 4165298087 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

“Profit pool mapping” describes a technique for:

- a) The analysis of how industry profit is distributed across the different stages of an industry’s value chain
- b) The analysis of resource deployment across the different stages of an industry’s value chain in
- c) The analysis of differential rates of return on investment across the different stages of an industry’s value chain in
- d) The analysis of key success factors in different horizontal and vertical activities within an industry

Question Number : 33 Question Id : 4165298088 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A strategic group consists of:

- a) A group of firms located within the same industry segment
- b) A group of firms within an industry that follow similar or identical strategies
- c) A groups firms which produce complementary or substitute products to those of a focal firm
- d) A groups of firms that pursue similar strategies irrespective of whether they are in the same or different industries

Question Number : 34 Question Id : 4165298089 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

If the speed of change of the environment increases, a firm’s resources and capabilities will:

- a) Provide a more secure foundation for the firm’s strategy
- b) Provide a more secure foundation for its short and mid-term strategies
- c) Provide a stronger basis for the firm’s technological strategy
- d) Provide a weaker foundation for the firm’s strategy

Question Number : 35 Question Id : 4165298090 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Reputation assets is an example of

- a) Tangible resource
- b) Intangible resource
- c) Human resource
- d) Organizational Capability

Question Number : 36 Question Id : 4165298091 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these is an inherent assumption in the Resource based view of the firm?

- a) Resource immobility
- b) Resource neutrality
- c) Resource incarnation
- d) Resource bricolage

Question Number : 37 Question Id : 4165298092 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these makes it relatively easier to imitate resources?

- a) Path dependence
- b) Resource compression diseconomies
- c) Visible assets
- d) interconnected asset stocks

Question Number : 38 Question Id : 4165298093 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these makes it costly to imitate resources?

- a) Asset mass efficiencies
- b) Social complexity
- c) Causal ambiguity
- d) All of these

Question Number : 39 Question Id : 4165298094 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Company A has successfully launched its product in the market and has reaped rich dividends for the same. S is a top executive of the firm who is planning to move out to start the same business supported by a few investors. 6 months later, despite the product launch S has not been able to replicate the same success as in company A. Which of these is a possible reason?

- a) Imperfect mobility of the resource
- b) Legal restrictions
- c) Firm performance differentials
- d) None of these

Question Number : 40 Question Id : 4165298095 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Isolating Mechanisms in firms are similar to Entry Barriers in:

- a) Nations
- b) Firms
- c) Industry
- d) Associations

Question Number : 41 Question Id : 4165298096 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A is an exceptional surgeon working in Hospital K. He decides to decline an offer from a newly set up Hospital - B which is still in the process of adding in the necessary infrastructure. From an RBV perspective, his decision is most likely to be driven by which of the following reasons:

- a) Need for professional recognition
- b) Need for interconnected resources
- c) Need for increased pay
- d) None of these

Question Number : 42 Question Id : 4165298097 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these is a tangible barrier to imitation by a competing firm?

- a) Causal Ambiguity
- b) Path Dependence
- c) Social Complexity
- d) Patents

Question Number : 43 Question Id : 4165298098 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Southwest Airlines' activities to achieve lower cost have been well documented in academics and business press. Yet most of the low cost airlines fail to match its success while imitating its strategy. This can be explained by:

- a) Interconnected resources
- b) Social complexity
- c) Unique Organizational Culture
- d) All of these

Question Number : 44 Question Id : 4165298099 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

From an RBV perspective, with respect to resources, the source of heterogeneity among firms is

- a) is way resources are acquired
- b) the way resources are stored
- c) the way firms bundle resources and their interconnected nature
- d) the way resource value is calculated

Question Number : 45 Question Id : 4165298100 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The Resource Based View of the Firm is aligned with which of the following constituents of the SWOT

- a) OT
- b) OS
- c) SW
- d) ST

Question Number : 46 Question Id : 4165298101 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Southwest Airlines' activities to achieve lower cost have been well documented in academics and business press. Yet most of the low cost airlines fail to match its success why imitating its strategy. This can be explained by?

- a) higher profitability
- b) resource inimitability
- c) higher quality
- d) higher market share

Question Number : 47 Question Id : 4165298102 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Wal-Mart's ability to negotiate a hard bargain with suppliers can be a source of competitive advantage if

- a) there is economies of scale
- b) other retailers find it difficult to imitate
- c) other retailers can replicate over time
- d) there is economies of scope

Question Number : 48 Question Id : 4165298103 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Causal ambiguity makes it difficult to imitate

- a) across industries
- b) across firms within the industry
- c) across units within the firm
- d) All of these

Question Number : 49 Question Id : 4165298104 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Porter's five force analysis helps to understand why one _____ is more profitable than other, and resource based view helps to understand why one _____ is more profitable than other.

- a) firm, industry
- b) industry, firm
- c) industry, resource
- d) industry, market

Question Number : 50 Question Id : 4165298105 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

In RBV of the firm, the resources with each firm are _____

- a) unique and heterogeneous
- b) unique and homogeneous
- c) heterogeneous and unilateral
- d) irrelevant

Question Number : 51 Question Id : 4165298106 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Industry analysis using IO is _____ focused where as RBV is _____ focused.

- a) internal, external
- b) resource, advantage
- c) external, internal
- d) Competition, strategy

Question Number : 52 Question Id : 4165298107 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of the following is easier to identify?

- a) Organizational capabilities
- b) tangible resources
- c) intangible resources
- d) Organization culture

Question Number : 53 Question Id : 4165298108 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Naukri.com is a job portal which has both the highest number of job seekers and also the highest number of employers seeking candidates registered on its platform. The source of competitive advantage for Naukri.com in this case can be attributed to:

- a) causal ambiguity
- b) Social complexity
- c) network effects
- d) Access to unique candidate profiles

Question Number : 54 Question Id : 4165298109 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Higher level of tacit knowledge can make it difficult to imitate because tacit knowledge can lead to _____.

- a) causal ambiguity
- b) resource parity
- c) resource disadvantage
- d) path dependence

Question Number : 55 Question Id : 4165298110 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The interpersonal relationships in a team can result in a basket ball team filled with star players losing to a well oiled basket ball team with lesser known players. Which of the following phenomenon can explain the performance difference:

- a) Path dependence
- b) Social complexity
- c) network effects
- d) superior processes

Question Number : 56 Question Id : 4165298111 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A firm possessing resources that are valuable, rare, difficult to imitate and difficult to substitute may not get sustained competitive advantage. This is possible if it fails to

- a) gain market share
- b) attract customer
- c) organizationally exploit it
- d) replicate it

Question Number : 57 Question Id : 4165298112 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Differentiation and Segmentation are different from each other. Differentiation is concerned with a firm competes, while Segmentation is concerned with a firm competes.

- a) where, how
- b) how, where
- c) how, why
- d) why, how

Question Number : 58 Question Id : 4165298113 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of the following is not a generic strategy as propounded by Michael Porter

- a) Overall Cost Leader
- b) Differentiation
- c) Focused Player
- d) Leverage Player

Question Number : 59 Question Id : 4165298114 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these is not a driver of cost advantage

- a) Economies of scale
- b) Production techniques
- c) Capacity utilization
- d) Differentiation variable

Question Number : 60 Question Id : 4165298115 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

If a firm attempts to simultaneously implement a cost-leadership and product differentiation strategy then it risks the danger of being

- a) stuck in the middle
- b) survive in the middle
- c) more a cost leader than a differentiator
- d) more a differentiator than a cost leader

Question Number : 61 Question Id : 4165298116 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these is not a way in which a product differentiator firm would differentiate itself on

- a) Linkage between functions
- b) Product features
- c) Reputation
- d) Cost

Question Number : 62 Question Id : 4165298117 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Harley Davidson positions itself as a lifestyle beyond just a super bike with annual fairs, community drives and so on. What is the strategy followed here?

- a) Broad differentiation
- b) Focused differentiation
- c) broad cost leader
- d) focused cost leader

Question Number : 63 Question Id : 4165298118 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Cost leadership focuses on _____ where as differentiation strategy focuses on _____.

- a) reducing cost, increasing price
- b) reducing price, increasing cost
- c) reducing cost, increasing willingness to pay
- d) reducing cost, reducing price

Question Number : 64 Question Id : 4165298119 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Bigbasket.com allows customers to order their groceries, vegetables online and get it home delivered at a convenient time. Which of these conditions would suggest it is following a differentiation strategy?

- a) It offers fresh fruits and vegetables at comparable price to physical retail store
- b) It offers fresh fruits and vegetables at a lower price compared to physical retail store
- c) When it tried to reduce the discounts some customers opted to buy from physical store
- d) Its customers are loyal and don't mind paying higher than that of physical retail store

Question Number : 65 Question Id : 4165298120 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these is not a reflection of a firm following cost leadership?

- a) Tight control on overhead costs
- b) Leveraging economies of scale to lower production cost
- c) Increased product mix and wider choices
- d) Efficient organization systems

Question Number : 66 Question Id : 4165298121 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of the following can act against a firm following a differentiation strategy?

- a) Inelastic consumer demand
- b) The product is an experience good
- c) Uniqueness in offering isn't valued by customers
- d) Rapid technology changes

Question Number : 67 Question Id : 4165298122 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these analysis frameworks that helps classify the firm's activities

- a) Value-chain analysis
- b) Value-add analysis
- c) Variance analysis
- d) Variability analysis

Question Number : 68 Question Id : 4165298123 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A cost leader's value chain is geared towards

- a) enhancing uniqueness of each of the firm's activities
- b) enhancing cost reduction across each of the firm's activities
- c) enhancing differentiation across each of the firm's activities
- d) enhancing leadership across each of the firm's activities

Question Number : 69 Question Id : 4165298124 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The Value Chain and RBV can be usefully combined to assess

- a) firm homogeneity
- b) focus cost leadership
- c) how each of the firm's activities fare with regard to the VRIO conditions
- d) focus differentiation

Question Number : 70 Question Id : 4165298125 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A company that is in the business of retailing synthetic fabric decides to manufacture the fabric in-house. This is an example of increase in _____.

- a) geographic scope
- b) product scope
- c) vertical scope
- d) market scope

Question Number : 71 Question Id : 4165298126 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

L is a mobile handset manufacturer that is currently based in India. It now plans to launch the same products with additional language support in some African countries. This would be an example of increase in _____.

- a) vertical scope
- b) geographic scope
- c) venturing scope
- d) product scope

Question Number : 72 Question Id : 4165298127 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Firm A has made a huge financial investment recently in upgrading its manufacturing operations believing a commitment from its old client, Firm B. When A informed B about this investment, B held back the order for 6 months. B returned and then managed to negotiate for a better price for A's output. This is an example of:

- a) value creation
- b) value capture
- c) hold up
- d) contract

Question Number : 73 Question Id : 4165298128 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these is a rationale for a firm to enter into multiple businesses? [$V(A)$ represents the value of a business A and so on]

- a) $V(A + B + C) < V(A) + V(B) + V(C)$
- b) $V(A + B + C) > V(A) + V(B) + V(C)$
- c) $\text{Cost}(A + B + C) > \text{Cost}(A) + \text{Cost}(B) + \text{Cost}(C)$
- d) None of these

Question Number : 74 Question Id : 4165298129 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

In the BCG growth share matrix a cash cow is a business that has _____ and _____.

- a) low growth rate, high market share
- b) high growth rate, high market share
- c) low growth rate, low market share
- d) high growth rate, low market share

Question Number : 75 Question Id : 4165298130 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

In the Ashridge Portfolio Display, a business for which fit between parent's management style and the needs of the business is low, and the potential for the parent to add value to the business is high is considered as a _____ business

- a) heartland
- b) alien territory
- c) ballast
- d) value trap

Question Number : 76 Question Id : 4165298131 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of the following can be inferred from the institutional voids argument?

- a) Diversified groups may have advantages in India
- b) Diversified groups have disadvantages in India
- c) Diversified groups may have disadvantages when institutional voids exist
- d) Diversified business may have advantages in the U.S.

Question Number : 77 Question Id : 4165298132 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

It makes sense for a firm to vertically integrate only if

- a) Administrative costs within the firm < Transactions costs in the market
- b) Administrative costs within the firm > Transactions costs in the market
- c) Administrative costs within the firm = Transactions costs in the market
- d) transaction costs do not exist

Question Number : 78 Question Id : 4165298133 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A firm's _____ is the way in which managers conceptualize the business and make critical resource allocation decisions—be it in technologies, product development, distribution, advertising, or in human resource management.

- a) dominant Logic
- b) economic logic
- c) ecological logic
- d) dormant logic

Question Number : 79 Question Id : 4165298134 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these aptly represents the question corporate strategy attempts to answer?

- a) How to position a business in the market?
- b) Which businesses to compete in?
- c) Who is my competitor?
- d) How do I compete?

Question Number : 80 Question Id : 4165298135 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Which of these is not an explanation for where business groups fill institutional voids in developing countries?

- a) poorly developed labor markets
- b) weak protection that consumers have
- c) weak contract enforcement
- d) conglomerate discount

Question Number : 81 Question Id : 4165298136 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A business group with a high level of unrelated diversification has its businesses as separately listed and legal entities. The parent company however is not a listed organization. Which type of multi-business structure is this?

- a) Cooperative form of multidivisional structure
- b) SBU form of multidivisional structure
- c) Competitive form of multidivisional structure
- d) None of these

Question Number : 82 Question Id : 4165298137 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

A small number of business houses with diversified businesses control a large part of the country's economy in several nations in Asia. Which of the following is a compelling explanation for this phenomenon?

- a) Business groups can act to compensate for institutional voids
- b) Family businesses are easier to control
- c) The gains from synergies of a multi business strategy is higher than costs associated with it
- d) Business groups add value through centralized corporate functions

Question Number : 83 Question Id : 4165298138 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Strategy is fundamentally about:

- a) Being better than rivals
- b) Winning
- c) Satisfying all stakeholders
- d) Being an excellent "corporate citizen"

Question Number : 84 Question Id : 4165298139 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The fundamental role of strategy is to:

- a) Determine how the firm will make a profit in its industry environment
- b) Determine how the firm will deploy its resources to satisfy its short-term financial goals
- c) Determine how the firm will deploy its resources to achieve its long-term goals
- d) Determine how the firm can organize its own activities and achieve knowledge of its rivals

Question Number : 85 Question Id : 4165298140 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The shift from Planning to Strategy-making implies:

- a) The shift from a planning process to a bottom-up strategic process involving most of the firm's members
- b) The shift to a centralized planning system to a system where the state interferes much less
- c) The shift from a detailed plan of action towards a positioning of the firm in relation to its markets and rivals and a direction for its development
- d) The shift from a detailed strategic plan towards innovative tools and the necessity to integrate corporate social responsibility and social ethics

Question Number : 86 Question Id : 4165298141 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

During the 1990s, the focus of strategy analysis shifted:

- a) From the sources of profit outside the firm to the sources of profit within the firm
- b) To the resource-based view of the firm
- c) Both a and b
- d) From the structure-based approach to the value-added perspective

Question Number : 87 Question Id : 4165298142 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

In the military field, we generally make the following distinction between strategy and tactic:

- a) Tactic is the overall plan whereas strategy focuses on specific actions
- b) Tactic is a scheme for a specific action whereas strategy relates to the overall plan
- c) Tactic encompasses specific political actions within the firm whereas strategy is the overall plan for deploying resources to establish a favorable position
- d) Tactic is the overall plan whereas strategy is concerned with the maneuvers to win battles

Question Number : 88 Question Id : 4165298143 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

How do corporate level strategy and business level strategy differ?

- a) Corporate level strategy defines the scope of the firm activity in terms of markets and industries, whereas business level strategy focuses on the competition within a specific combination product x market
- b) Corporate level strategy defines the scope of the firm's structure, whereas business level strategy emphasizes the relationship of each business with its environment
- c) Corporate level strategy concentrates on the overall strategic plan, whereas business level strategy focuses implementing strategic decisions in each product market
- d) Corporate level strategy is concerned with long term goals, whereas business level strategy deals only with daily and operational issues

Question Number : 89 Question Id : 4165298144 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Between corporate strategy and business strategy, decision making responsibility is partitioned according to the following principle:

- a) There is no principle but only limited rationality and trial-and-error processes to find the best allocation between different levels of management
- b) Corporate level strategy is the domain of top managers, and division managers are in charge of the business level strategy
- c) Corporate level strategy is the domain of the parent company, and the business level strategy is handled by the functional department managers
- d) Corporate and business level strategies are not any specific organizational level's responsibility because of the principle of maximum delegation and decentralization

Question Number : 90 Question Id : 4165298145 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Realized strategy differs from intended strategy because:

- a) a) Intended strategy must be adapted to changing circumstances.
- b) b) Intended strategy comprises principles and guidelines, it is when it is implemented by middle managers that many of the critical strategic decisions are taken.
- c) c) Intended strategy is formulated by top management who out of touch with the reality of events on the ground.
- d) (a) and (b)

Question Number : 91 Question Id : 4165298146 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Two schools of thought consider the strategic process differently:

- a) The Design School views strategy as a rational and analytical process and the Emergence School views strategy as a complex decision-making and learning phenomenon
- b) The Emergence School views strategy as a learning process and the Design School focuses on the strategy-structure relationship
- c) The Emergence School emphasizes psychological aspects of strategy decisions and the Design School considers only the top management team
- d) The Design School concentrates upon theory and the Emergence School takes a practical approach.

Question Number : 92 Question Id : 4165298147 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The expression "bounded rationality" means:

- a) That cognitive limitations exist for human beings
- b) That our understanding of complex situations is bounded by our personal anxieties
- c) That no real rationality exists because we suffer from many psychological biases
- d) That many strategic decisions are taken by middle managers who lack the intelligence and imagination of top managers

Question Number : 93 Question Id : 4165298148 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The two main forms of economic organization are:

- a) The hierarchy and the market
- b) The administration by the state and the free market
- c) The visible hand and the pressure from politicians
- d) The invisible hand of the market and micro-economic mechanisms

Question Number : 94 Question Id : 4165298149 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Backward vertical integration and forward vertical integration can be respectively defined as a situation where:

- a) A firm takes over activities previously undertaken by its customers
- b) A firm takes over activities producing its own inputs, and takes over activities previously undertaken by its customers
- c) A firm takes control of one of its rivals, and a firm takes control of one of its suppliers
- d) A firm takes control of most of its suppliers, and of a few of its customers

Question Number : 95 Question Id : 4165298150 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

The classic justification of vertical integration relies on the fact that:

- a) The co-location of plants enables each owner to avoid being bound to the other partner for its strategic decisions
- b) The physical integration of two processes, for example linking the two stages of production in a single location, results in cost savings
- c) The physical location of two processes on the same site does not explain why there is not just one owner
- d) Each process owner realizes saving by exploiting its assets in an alliance framework

Question Number : 96 Question Id : 4165298151 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Synergies can be defined as:

- a) Savings realized on production across several businesses within a diversified firm
- b) Value creating linkages between different businesses within a diversified firm
- c) Stakeholders' connections outside a diversified firm
- d) The connections between different organizational units within a diversified firm

Question Number : 97 Question Id : 4165298152 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical

Correct Marks : 2 Wrong Marks : 0

Value added is:

- a) The difference between the perceived fair price by a customer and the actual price he pays
- b) The difference between the price actually paid and the value the customer gains from the product
- c) The difference between the revenue of the firm and its purchases of inputs
- d) The sum of all the income paid to the suppliers of physical factors of production

**Question Number : 98 Question Id : 4165298153 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

EVA stands for:

- a) Economic Value of Assets
- b) Economic Value Approach
- c) Economic Value Added
- d) Enhanced Value of Assets

**Question Number : 99 Question Id : 4165298154 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

A balanced scorecard is a tool used for:

- a) Avoiding the problems of accounting data in assessing a firm's past performance
- b) Allowing manager's to choose the performance criteria against which they will be evaluated
- c) Linking a firm's long-term strategic goals to specific performance measures against which individual business units and departments can be evaluated
- d) All of the above

**Question Number : 100 Question Id : 4165298155 Question Type : MCQ Option Shuffling : No Display Question Number : Yes
Single Line Question Option : No Option Orientation : Vertical**

Correct Marks : 2 Wrong Marks : 0

The primary objective of analyzing the external environment of a firm is to identify:

- a) The sources of profit in the industry
- b) The five forces identified by Porter in its model
- c) The barriers to entry and to exit in that industry
- d) The expected level of profit in the mid-term for that industry