

## **MCQ: Multiple Choice**

### **1- What is the difference between a policy and a strategy?**

- a) A policy is a set of rules and procedures, while a strategy is an action plan.
- b) A policy is a plan of action, while a strategy is a set of rules and procedures.
- c) A policy and a strategy are the same things.
- d) A policy and a strategy are both vague concepts.

**Answer: A) A policy is a set of rules and procedures, while a strategy is an action plan.**

### **2- What is SWOT analysis used for?**

- a) Identify an organization's strengths, weaknesses, opportunities, and threats.
- b) Identify the competition's strengths, weaknesses, opportunities, and threats.
- c) To identify an organization's long-term goals.
- d) To identify the resources needed for an organization to succeed.

**Answer: A) To identify an organization's strengths, weaknesses, opportunities, and threats.**

### **3- What is the purpose of a mission statement?**

- a) To outline an organization's goals and objectives.
- b) To identify the competition's strengths, weaknesses, opportunities, and threats.
- c) To provide guidance for an organization's decision-making and actions.
- d) To assess an organization's internal and external environments.

**Answer: C) To provide guidance for an organization's decision-making and actions.**

### **4- What is a competitive advantage?**

- a) A unique strength or advantage that a business has over its competitors.
- b) A weakness that a business has that puts it at a disadvantage compared to its competitors.
- c) The ability of a business to change its policies and strategies quickly.
- d) The resources that a business has at its disposal.

**Answer: B) A unique strength or advantage that a business has over its competitors.**

**5- Which of the following is a step in the strategy development process?**

- a) Monitoring progress
- b) Assessing an organization's internal and external environments
- c) Evaluating the success of the plan
- d) Identifying an organization's resources

**Answer: B) Assessing an organization's internal and external environments.**

**6- What is the purpose of a business strategy?**

- a) To create a detailed set of rules and procedures for the organization.
- b) To provide a long-term plan of action to achieve the organization's goals.
- c) To evaluate the organization's internal and external environments.
- d) To analyze the competition's strengths and weaknesses.

**Answer: B) To provide a long-term plan of action to achieve the organization's goals.**

**7- Which of the following is not a component of SWOT analysis?**

- a) Strengths
- b) Opportunities
- c) Weaknesses
- d) Trade-offs

**Answer: D) Trade-offs**

**8- What is the difference between a mission and a vision statement?**

- a) A mission statement outlines the organization's long-term goals, while a vision statement guides decision-making.
- b) A mission statement guides decision-making, while a vision statement outlines the organization's long-term goals.

c) A mission statement and a vision statement are the same things.

d) A mission statement is focused on internal operations, while a vision statement is focused on external factors.

**Answer: B) A mission statement provides guidance for decision-making, while a vision statement outlines the organization's long-term goals.**

**9- Which of the following is not a type of competitive advantage?**

a) Cost leadership

b) Differentiation

c) Focus

d) Inflexibility

**Answer: D) Inflexibility.**

**10- What is the purpose of evaluating a strategic plan?**

a) To identify the organization's long-term goals.

b) To assess the plan's success and make adjustments as needed. c) To identify the competition's strengths and weaknesses.

d) To assess the organization's internal and external environments.

**Answer: B) To assess the plan's success and make adjustments as needed.**

**11- The goal of the organization's vision is to-----the hearts and minds of employees, challenge them, and evoke their emotions and dreams.**

a) Capture

b) Mission

c) Culture

d) Strategy

**Ans: A) Capture**

**12- Societal environment comprises----- conditions, political priorities, and technological developments, all of which must be anticipated, monitored, assessed, and incorporated into the executive's decision-making.**

- a) Internal environment
- b) Task environment
- c) Operating environment
- d) Economic and social

**Ans. D)** Economic and social

**13- Strategic management involves the Planning, directing, organizing, and controlling of a company's strategy-related ----- and----- ..**

- a) Financing; marketing
- b) Planning; financing
- c) decisions; actions
- d) Marketing; planning

**Ans. C)** Decisions; actions

**14 -----ratios are not part of an external audit.**

- a) Analyzing competitors
- b) Analyzing financial
- c) Analyzing available technologies
- d) Studying the political environment

**Ans. B)** Analyzing financial

**15- The strategic management process activates in the sequence of\_\_\_\_\_a.**

- a) Environmental scanning, Strategy formulation, Implementation, control, and evaluation
- b) Strategy formulation, Environmental scanning, Implementation, control, and evaluation
- c) Environmental scanning, Strategy Implementation, formulation, control, and evaluation

d) Strategy formulation, Implementation, control, evaluation, Environmental scanning

**Ans. A)** Environmental scanning, Strategy formulation, Implementation, control, and evaluation

**16- KAPKAL Power's interested to achieve a ----- return on equity (ROE) in their core electric utility, 14 percent ROE on water resource operations, and 15 percent ROE on support businesses.**

a) 20 %

b) 40 %

c) 10 %

**Ans. C )** 10%

**17- Mission statement identifies the ----- of business operations in product & market terms.**

a) Purpose

b) Objective

c) Scope

d) Goal

**Ans: C )** Scope

**18- WO represents maxi mini strategy in the ----- matrix.**

a) Maxi Mega

b) Mini Small

c) REO

d) TOWS

**Ans: D )** TOWS

**19- Conservation of -----resources is an example of a Strategic factor.**

a) Ecological

b) Demographic

c) non-replenishable

d) Social

**Ans: C)** On-replenishable

**20- When a firm's basic strategy is reconsidered on the ----- of a sudden, unexpected event, then the type of control needed is operational.**

a) occurrence

b) Special alert

c) Implementation

d) Strategic  
**Ans: A ) Occurrence**

**TechyRise**