1) In a survey of 50 corporations, which of the following was rated as a benefit of strategic management?

A. Clearer sense of vision for the firm
B. Higher levels of employee motivation
C. Higher levels of job satisfaction
D. Improved productivity
E. Lower employee turnover

2) Research suggests that strategic management evolves through four sequential phases in corporations. The first phase is

A. externally-oriented planning
B. basic financial planning
C. internally-oriented planning
D. forecast-based planning
E. strategic management

3) Strategic management is that set of managerial decisions and actions that determine the long-run performance of a corporation. Which one of the following is NOT one of the basic elements of the strategic management process?

A. Strategy formulation
B. Strategy implementation
C. Statistical process control
D. Evaluation and control
E. Environmental scanning

4) The relationship among the board of directors, top management, and shareholders is
referred to as

A. corporate synergy
B. corporate management
C. corporate governance
D. corporate strategy
E. corporate responsibility

5) The concept that proposes private corporations have responsibilities to society that extend beyond making a profit is known as

A. flexible responsibility
B. social responsibility
C. social flexibility
D. managerial responsibility
E. profit maximization

6) Who said that the social responsibility of business is a "fundamentally subversive doctrine" and that the one social responsibility of business is "to use its resources and engage in activities designed to increase its profits so long as it stays with the rules of the game..."?

A. Adam Smith
B. Edward Freeman
C. Archie Carroll
D. William C. Norris
E. Milton Friedman

7) Which of the following is NOT descriptive of external environmental scanning?

A. Used as a tool to ensure a corporation’s long-term health
B. Used to monitor, evaluate, and disseminate information from the external environment to key people within the corporation
C. Used to identify opportunities and threats  
D. It is a tool that corporations use to avoid strategic surprise  
E. Used to identify strengths and weaknesses

8) According to Porter, the corporation is most concerned with

A. the intensity of competition within its industry  
B. the aggregate level of demand for a product line  
C. a market's position on its life cycle  
D. the amount of pressure from the societal environment  
E. the level of government action in an industry

9) When a company determines a competency's competitive advantage, Barney refers to this issue as

A. value  
B. rareness  
C. imitability  
D. organization  
E. durability

10) An acronym for the assessment of the external and internal environments of the business corporation in the process of strategy formulation/strategic planning is

A. P.E.T.  
B. M.B.O.  
C. S.W.O.T.  
D. S.B.U.  
E. R.O.I.

11) In the development of a SFAS matrix, the first step is to

A. enter the ratings of how the company’s management is responding to each of the
strategic factors

B. calculate the weighted scores
C. list the most important EFAS and IFAS items
D. indicate short-term for the duration
E. enter the weights for all of the internal factors

12) The technique that illustrates how management can match the external opportunities and threats with its strengths and weaknesses to yield four sets of strategic alternatives is called a (an)

A. IFAS Table
B. EFAS Table
C. SFAS Table
D. TOWS Matrix
E. Issues Priority Matrix

13) Which strategy specifies the firm's overall direction in terms of its general orientation toward growth, the industries or markets in which it competes, and the manner in which it coordinates activities and transfers resources among business units?

A. Corporate
B. Functional
C. Divisional
D. Organizational
E. Business

14) Continuous improvement is an operations concept developed in

A. the United States
B. Sweden
C. Japan
D. Germany
15) The process by which a firm approaches its cross-border activities and those of competitors, and plans to approach them in the future, is called

A. staging
B. international strategy
C. competitive strategy
D. cross-border configuration

16) What question must managers ask concerning the relationship between economic logic and international strategy?

A. Which geographic areas will we enter?
B. How does our international strategy contribute to the economic logic of our business and corporate strategies?
C. How does being international make our products more attractive to our customers?
D. Which international market-entry strategies will we use?

17) Which strategy is developed to pull together the various activities and competencies of each department so that corporate and business unit performance improves and resource productivity is maximized?

A. Business strategy
B. Competitive strategy
C. Generic strategy
D. Enterprise strategy
E. Functional strategy

18) The strategy that deals with product and process innovation and improvement is known as a ________ strategy.
19) The hiring of new people with new skills, firing of people with inappropriate or substandard skills, and/or training existing employees to learn new skills are included in the process of

A. training
B. staffing
C. structuring
D. operating
E. financing

20) The strategy implementation tool used to determine what actions are going to be taken, by whom, during what time frame, and with what expected results is called a(n)

A. mission statement
B. action plan
C. MBO
D. TQM
E. succession plan

21) Executives with a particular mix of skills and experiences may be classified as an executive type and paired with

A. a specific personal characteristic
B. a specific corporate strategy
C. a certain educational background
D. a specific experience background
22) According to the text, what is the "key" to effective management of change in culture?
   A. Planning
   B. Operationalization
   C. Evaluation
   D. Staffing
   E. Communication

23) The sum total of the activities and choices required for the execution of a strategic plan is known as in
   A. strategic formulation
   B. environmental scanning
   C. strategy implementation
   D. evaluation and control
   E. strategic development

24) Who typically implements strategy in large, multi-industry corporations?
   A. The board of directors
   B. Top management
   C. Middle management
   D. First level management
   E. Everyone in the organization

25) Which one of the following is NOT a part of the evaluation and control of performance?
   A. Establish corporate strategies.
   B. Determine what to measure.
C. Establish standards for performance.
D. Measure actual performance.
E. Take corrective actions.

26) The end result of activity is known as

A. measurement
B. gratuity
C. performance
D. return on equity
E. achievement

27) Which is the MOST commonly used measure of corporate performance (in terms of profit)?

A. EPS
B. ROE
C. DPS
D. ROI
E. ROVA

28) Because of the belief that accounting-based numbers such as ROI, ROE, and EPS are not reliable indicators of a corporation's economic value, which method of corporate performance is now preferred?

A. Shareholder value
B. Basic earning power
C. Price/earnings ratio
D. Profit margin on sales
E. Return on assets

29) Which company experienced a tarnished reputation and scandal after experiencing
behavior substitution when employees altered their behavior on the job to fit the reward system?

A. Sears, Roebuck, & Co.
B. J.C. Penney
C. Neiman Marcus
D. Saks
E. Macy's

30) Suboptimization occurs when

a division or functional unit views itself as a separate entity and refuses to cooperate with other divisions or units to the detriment of the organization as a whole
A. there is a failure to produce at or near full capacity
B. individuals are placed into positions not suited to their abilities
C. managers tend to focus more of their attentions on those aspects which are measurable than on those which are not
D. managers concentrate too much on short-term performance objectives