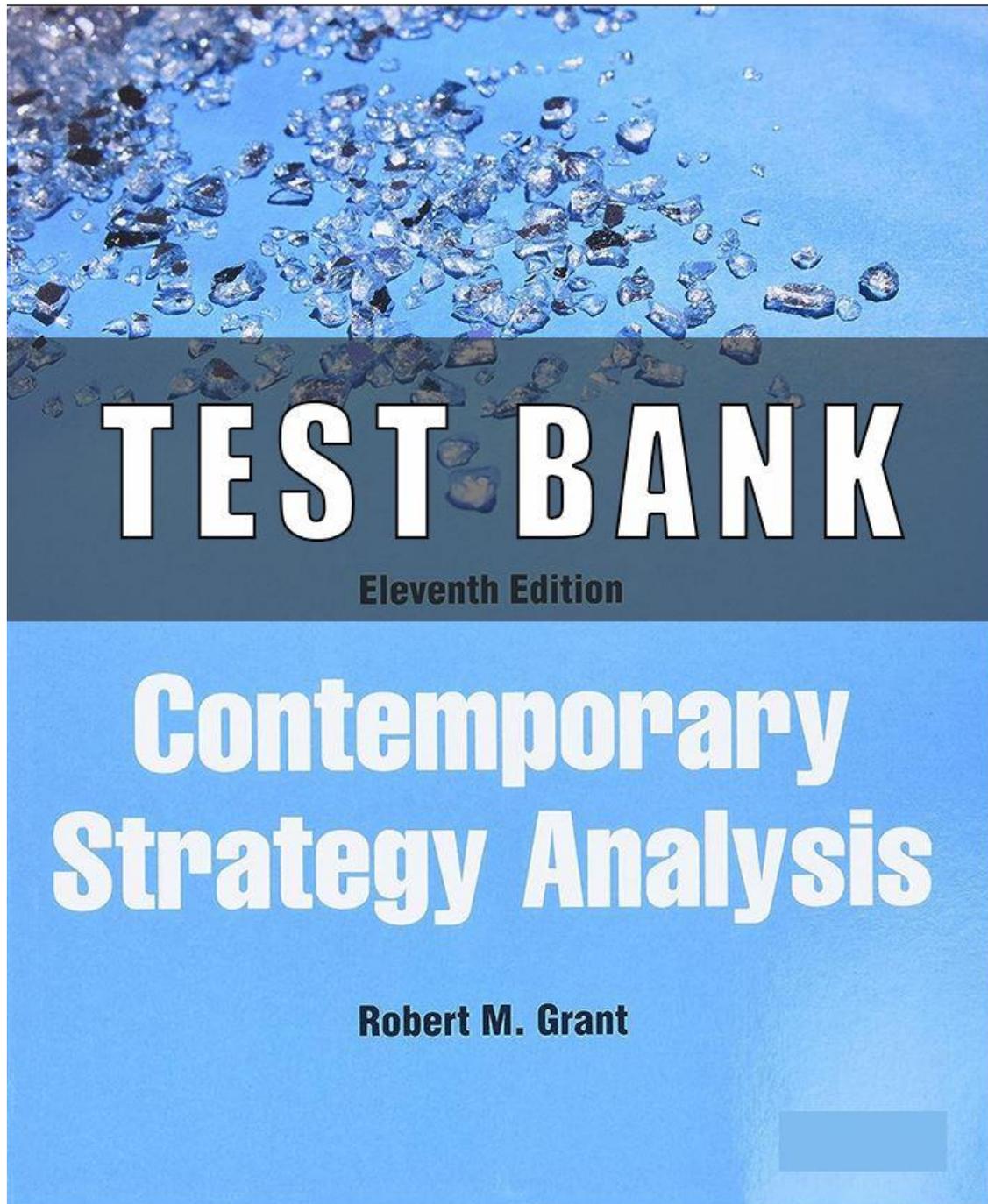


COMPLETE TEST BANK:

SOLUTION MANUAL FOR CONTEMPORARY STRATEGY ANALYSIS, 11TH EDITION, ROBERT M. GRANT LATEST UPDATE.



CONTEMPORARY STRATEGY ANALYSIS 11E

TEST BANK: CHAPTER 1 THE CONCEPT OF STRATEGY

TRUE OR FALSE QUESTIONS

1. Strategy Is A Unifying Theme That Gives Coherence And Direction To The Actions And Decisions Of An Organization.

[See P.4]

a. T*

b. F

2. The Successful Careers Of Both Queen Elizabeth Ii And Lady Gaga May Be Attributed To Their Commitment To Systematic Strategic Planning

[See P.5]

a. T

b. F*

3. A Key Component Of An Effective Strategy Is Clear, Consistent, Long-Term Goals.[See Pp.5-6]

*A. T

B. F

4. If A Firm Can Devise A Brilliant Strategy, It Will Be Successful Irrespective Of How Effectively It Is Implemented.

[See P.5]

a. T

*B. F

5. A Major Problem Of Using Swot Analyses In Distinguishing Strengths From Weaknesses And Opportunities From Threats.

[See P.10]

*A. T

B. F

6. "Strategic Fit" Refers To The Consistency Between A Firm's Strategy And, On One Hand, Its External Environment And, On The Other, Its Internal Resources And Capabilities.

[See P.10]

*A. T

B. F

7. Contingency Theory Postulates That A Firm's Strategy Must To Flexible In Order To Meet Any Possible Contingency.

[See Pp.10-11]

a. T

*B. F

8. Strategy Denotes An Overall Plan Whereas A Tactic Is A Scheme For A Specific Action.[See P.11]

*A. T

B. F

9. The Principles Of Military Strategy Are Rarely Applicable To Business Situations.[See Pp.11-12]

a. T
*B. F

10. Strategic Decisions Are Important, Involve A Significant Commitment Of Resources, And Should Be Easily Reversible.

[See P.11]

A. T
*B. F

11. Game Theory Is A Useful For Studying Competitive Behavior In Politics, Military Campaigns And International Relations, But It Cannot Be Used To Analyze Business Strategies.

[See P.12]

a. T
*B. F

12. The Main Factor Causing The Transition From Corporate Planning To Strategic Management Was The Increasing Inability Of Companies To Forecast Economic Conditions Four Or Five Years Into The Future. [See P.12]

*A. T
b. F

13. Strategy Is A Detailed Plan That Programs The Actions Of An Organization Or An Individual. [See Pp.14-15]

a. T
*B. F

14. Strategic Choices Involve Two Basic Questions: *Where* And *How* To Compete? [See P.18]

*A. T
b. F

15. In The Large, Complex Firm, Two Main Levels Of Strategy Can Be Distinguished: Corporate Strategy And Business (Or Competitive) Strategy.

[See Pp.18-19]

*A. T
B. F

16. When Describing The Strategy Of A Firm, It Is Best To Ignore The Current Positioning Of The Firm In Order To Concentrate Upon The Direction In Which The Firm Will Develop In The Future.

[See Pp.19-20]

a. T
*B. F

17. The Reason That A Firm's Realized Strategy Diverges From Its Intended Strategy Is Because Strategy Making Is, To A Great Extent, An Emergent Process.

[See Pp.20-21]

*A. T
b. F

18. According To Henry Mintzberg, Firm Strategy Should Be Formulated By Top Management Through Rational Deliberation Utilizing All Available Data.

[See P.21]

a. T
*B. F

19. The Dynamic, Future-Oriented Dimension Of A Firm's Strategy Is Described By Its Mission And Vision Statements And Its Performance Targets.

[See P.21]

*A. T

b. F

20. The Balance Between Intended And Emergent Strategy Depends Primarily Upon The Stability And Predictability Of The Organization's Business Environment. The More Stable And Predictable The Environment, The Greater The Importance Of Emergent Strategy.

[See P.23]

A. T

*B. F

21. Applying The Tools Of Strategy Analysis To Not-For-Profit Organizations Is Simplified By The Fact That They Do Not Need To Be Concerned With Maximizing Profit.

[See P.27]

A. T

*B. F

Multiple Choice Questions

1. The Primary Purpose Of Strategy Is:

[See P.4]

a. To Maximize Shareholder Value

*B. To Achieve Success

C. To Ensure That All Stakeholders Benefit From The Value Created By The Firm

D. To Be A Responsible Corporate Citizen

2. The Successful Careers Of Both Queen Elizabeth II And Lady Gaga May Be Attributed To The Fact That Both:

[See Pp.4-8]

a. Have Used Dressing Up As A Means Of Attracting Attention And Establishing Identity

b. Have A Knack For Being In The Right Place At The Right Time

*C. Have A Consistency Of Direction Based On Clear Goals

D. Have Built A Loyal Fan Base Based On Astute Use Of The Media.

3. For Both Individuals And Businesses, Successful Strategies Are Characterized

By:[See P.5]

a. Unrelenting Commitment To Ambitious Goals

*B. Clear Goals, Understanding Their Competitive Environment, Awareness Of Internal Strengths And Weaknesses, And Effective Implementation

C. Meticulous Planning

D. Possessing Superior Resources That Are Deployed To Build Competitive Advantage.

4. Strategic Goals Should Be:

[See Pp.5-9]

a. Simple

b. Consistent

c. Long Term

*D. All Of The Above

5. The Main Problem Of Swot As A Framework For Strategy Analysis Is

That:[See P.10]

*A. Distinguishing Opportunities From Threats And Strengths From Weaknesses Is Often Difficult

b. It Has Now Been Superseded By More Sophisticated Analytical Frameworks

c. It Is Focused On Strategy Formulation And Fails To Take Account Of Strategy Implementation

d. It Is So Widely Used That It No Longer Has Any Novelty.

6. Strategic Fit Refers To:

[See P.10]

- a. The Need For A Firm's Strategy To Be Consistent With Its Vision, Mission, And Culture
- *B. The Consistency Of A Firm's Strategy With Its External And Internal Environments
- C. The Need For A Firm's Strategy To Be Unique
- D. The Need For A Firm's Strategy To Fit The Needs Of All Its Stakeholders, Not Just Shareholders

7. A Conceptualization The Firm As An "Activity System" Is A Means Of

Depicting:[See Pp.10-11]

- a. How A Firm's Strategy Should Be Implemented
- b. The Extent To Which A Firm's Resources And Capabilities Are Aligned With Its Strategic Goals
- c. The Extent To Which A Firm's Strategic Goals Are Aligned With Its Industry Environment
- *D. The Components Of A Firm's Strategy And Consistency With Which They Fit Together

8. Ryanair's Strategic Position Is As Europe's Lowest-Cost Airline May Be Attributed

To:[See P.11]

- a. The Willingness Of Its Ceo, MICHAEL O'LEARY, TO CHALLENGE CONVENTIONAL NOTIONS OF CUSTOMER AND EMPLOYEE SATISFACTION
- b. ITS USE OF SECONDARY AIRPORTS WHERE COSTS ARE LOWER
- c. THE HIGH OPERATING COSTS OF MAJOR AIRLINES SUCH AS BRITISH AIRWAYS, LUFTHANSA, AND AIR FRANCE-KLM ON SHORT-HAUL ROUTES
- *D. AN INTEGRATED, CONSISTENT SET OF ACTIVITIES DESIGNED TO MAXIMIZE PRODUCTIVITY AND MINIMIZE OPERATING COSTS

9. THE PRINCIPAL SIMILARITY BETWEEN BUSINESS AND MILITARY STRATEGY IS THAT:

[SEE P.12]

- a. THEY SHARE THE SAME OBJECTIVE: TO ANNIHILATE RIVALS
- *B. THEY SHARE COMMON CONCEPTS AND PRINCIPLES
- C. THE NATURE OF LEADERSHIP IS MUCH THE SAME WHETHER IN A MILITARY OR BUSINESS CONTEXT
- D. THEY ARE BOTH CONCERNED WITH TACTICAL MANEUVERS TO ESTABLISH POSITIONS OF ADVANTAGE.

10. MILITARY STRATEGY AND BUSINESS STRATEGY DIFFER IN THAT:

[SEE P.12]

- a. THERE IS NO CONCEPT LIKE TACTICS IN BUSINESS
- b. MILITARY STRATEGY CAN ONLY BE LEARNED THROUGH FIELD EXPERIENCE; BUSINESS STRATEGY CAN BE DEVELOPED THROUGH ANALYTICAL FRAMEWORKS
- *C. THE OBJECTIVE OF MILITARY STRATEGY IS TO DEFEAT THE ENEMY; MOST BUSINESS STRATEGIES SEEK COEXISTENCE RATHER THAN ANNIHILATION
- D. NONE - THERE IS NO CONCEPTUAL DIFFERENCE

11. THE BOOK THAT IS CONSIDERED AS THE FIRST TREATISE ON STRATEGY IS:

[SEE P.11]

- a. CARL VON CLAUSEWITZ'S "ON WAR" ("VOM KRIEGE")
- b. SUN TZU'S "THE ART OF WAR"*
- c. THE BIBLE
- d. NICCOLO MACHIAVELLI'S "THE ART OF WAR" ("DELL'ARTE DELLA GUERRA")

12. STRATEGIC DECISIONS ARE THOSE DECISIONS THAT ARE:

[SEE P.12]

- *A. IMPORTANT, COMMIT RESOURCES, AND ARE IRREVERSIBLE
- b. LONG TERM
- c. ARE CONFINED TO THE SENIOR EXECUTIVES OF AN ORGANIZATION
- d. CONCERNED WITH ESTABLISHING COMPETITIVE ADVANTAGE

13. THE MAIN REASON FOR THE TRANSITION FROM CORPORATE PLANNING TO STRATEGIC MANAGEMENT DURING THE LATE 1970S AND 1980S WAS:

[SEE P.12]

