Unity University
Faculty of Distance and Continuing Education
Department of Management

Work sheet for **Business Policy and Strategy (Mgmt.422)**

Name _____

Id No. _____

Department _____

Student Center _____

Program: Distance ☐

Regular / Extension ☐

This is a work sheet you are expected to do by your own. It carries 25 marks. The work sheet should be completed and submitted to your center coordinator which will be sent to the Head Office of the School of Distance and Continuing Education for evaluation. Do not try to complete the worksheet until you have covered all the lessons and exercises in the course material.

Any questions in the course that you have not been able to understand should be stated on a separate sheet of paper and attached to this work sheet. Your tutor will clarify for you.

After completing this worksheet, be certain to write your name, Id No and Address on the first page. In addition to this, *your Name and Id No should be written on each paper of the work sheet.*

N.B: ***This worksheet has 2 parts and 5 pages. Good work!***

Part I: TRUE or FALSE Items (5%)

Writ TRUE if the statement is correct and FALSE if the statement is not correct on the answer sheet attached (0.5 mark each).

1. Strategy is a comprehensive plan formulated by top level management
2. Corporate level strategy is primarily about the choice the overall business.
3. Operational level strategy is the highest level and involves a long range time horizon
4. Vertical integration allows a firm to operate in wider market by acquiring similar business.
5. Evolution of current mission, vision, values and objective are irrelevant to formulate business strategy
6. Mission is mental perception expressed as strategic intent what the organization intended to achieve.
7. Industry value chain analysis focuses on internal value creating activities of an organization.
8. Turnaround strategy is designed to reverse a negative trend and restored the organization to appropriate level of profitability
9. Managers are viewed as key implementers as an internal derivers of business.
10. The skill and knowledge needed to implement the strategies that result in growth are different from those needed for strategies that maintain stability.

Part II: Multiple Choices (15 marks)

Choose the best answer and write the letter of your answer on the answer sheet attached (1 pt each)

1. What are the means by which long-term objectives will be achieved?
   A. Strategies. B. Strengths. C. Policies. D. Opportunities
2. "A possible and desirable future state of an organization" is called:
   A. Mission B. Vision C. Goal D. Objective
3. The environmental segments that comprise the general environment typically will NOT include:
   A. Demographic factors.
   B. Sociocultural factors.
   C. Substitute products or services.
   D. Technological factors.

4. Organizing means an identifiable group of people contributing their efforts towards the attainment of same goal. It is important at the time of:

   A. Environmental scanning
   C. Strategy Implementation
   B. Strategy formulation
   D. Strategy evaluation

5. Which of the following is not true about industry life cycle ?

   A. Varies in duration
   C. Each stage needs unique skills and abilities
   B. Always linear
   D. None of the above

6. In a turbulent and competitive free enterprise environment, a firm will succeed only if it takes a(n) _____ stance towards change.

   A. Reactive B. Proactive C. Anti-regulatory D. Vision

7. Which of these basic questions should a vision statement answer?

   A. What is our business?
   C. What do we want to become?
   B. How do we exist?
   D. How we reach the destination?

8. _____ is not part of an external audit.

   A. Analysing competitors
   C. Analysing available technologies
   B. Analysing financial ratios
   D. Studying the political environment

9. Large-scale, future-oriented plans, for interacting with the competitive environment to achieve company objectives refers to its

   A. Strategy B. Goals C. Competitive analysis D. Dynamic policies

10. According to the five factors model, an attractive industry would have all of the following characteristics **EXCEPT:**

    A. Low barriers to entry.
    B. Suppliers with low bargaining power.
    C. A moderate degree of rivalry among competitors.
    D. Few good product substitutes.

11. An ethical approach that refers to actions and plans should be judged by their consequence is

    A. Utilitarian
    C. Individual
    B. Justice
    D. Social responsibility

12. Strategic management process activate in the sequence of_____

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

13. BCG portfolio model is based on :

A. Market growth rate and relative market share

B. Relative market share and profitability

C. Sales growth and time

D. Sales growth and market growth rate

14. A scanning technique that collect data about their own organization and use it to make comparisons in terms of performance refer to:

A. Benchmarking

B. Resources analysis

C. Competence analysis

D. Scenario analysis

15. As a result of discouraging performance, A Company's owners have sold out one of their strategic business units to a certain investor. Which of the following represents the act of the company?

A. Turnaround strategy

B. Divestiture strategy

C. Stability strategy

D. Liquidation strategy

16. Product differentiation refers to the:

A. Ability of the buyers of a product to negotiate a lower price.

B. Response of incumbent firms to new entrants.

C. Belief by customers that a product is unique.

D. Fact that as more of a product is produced the cheaper it becomes per unit.

17. Which of the following is NOT an entry barrier to an industry?

A. expected competitor retaliation

B. economies of scale

C. customer product loyalty

D. bargaining power of suppliers

18. Which of the following focuses on supporting the corporate and business strategies?

A. Competitive strategy
C. Operational strategy
B. Corporate strategy
D. National strategy

19. Which one of the following is **NOT** included in the Porter's Five Forces model:

A. Potential development of substitute products
B. Bargaining power of suppliers
C. Rivalry among stockholders
D. Rivalry among competing firms

20. The degree to which members of a unit accept the norms values or other cultural associated with a unit refers to

A. Cultural integration
C. Cultural intensity
B. Cultural diversity
D. Cultural competence

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Part I. True or False

Part I: True or False		**Part II: Multiple choice items**			
1. s___	6. ___	1. _____	6. _____	11. _____	16. _____
2. ___	7. ___	2. _____	7. _____	12. _____	17. _____
3. ___	8. ___	3. _____	8. _____	13. _____	18. _____
4. ___	9. ___	4. _____	9. _____	14. _____	19. _____
5. ___	10. ___	5. _____	10. _____	15. _____	20. _____