

### Question 1

As opposed to rule-based countries, relationship-based countries tend to

- A) be less transparent and have a lower degree of corruption.
- B) have the same transparency and same degree of corruption.
- C) be more transparent and have a higher degree of corruption.
- D) be less transparent and have a higher degree of corruption.
- E) be more transparent and have a lower degree of corruption.

Answer: <https://biology-forums.com/index.php?topic=665736>

### Question 2

As defined by the text, synergy is the concept

- A) that a corporation can enter one or more businesses that are necessary to manufacture its own product.
- B) that two functional areas of a corporation can coordinate their work as a team.
- C) that involves adding different products or divisions to the corporation.
- D) that supports divestiture of one corporation by another.
- E) that two firms can generate more profits together than separately.

Answer: <https://biology-forums.com/index.php?topic=665315>

### Question 3

One study reported the percentage of senior executives that left a firm after a new CEO took office was \_\_\_\_\_ when the new CEO was an insider and \_\_\_\_\_ when the new CEO was an outsider.

- A) 30; 30
- B) 20; 34
- C) 20; 10
- D) 40; 20
- E) 35; 10

Answer: <https://biology-forums.com/index.php?topic=665944>

### Question 4

Penetration pricing attempts to hasten market development and offers the pioneer the opportunity to use the experience curve to gain market share with a low price and dominate the industry.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=665431>

### Question 5

What are the responsibilities of the board of directors?

Answer: <https://biology-forums.com/index.php?topic=665610>

### Question 6

When Admiral was acquired by Maytag Corporation, the Admiral employees were willing to accept the dominance of Maytag's strong quality-oriented culture because they respected it. This demonstrates which approach to managing culture?

- A) integration
- B) deculturation
- C) assimilation
- D) segmentation
- E) separation

Answer: <https://biology-forums.com/index.php?topic=665992>

### Question 7

When a company's core competencies are superior to those of competitors, these are known as

- A) core competencies.
- B) key performance factors.
- C) distinctive competencies.
- D) resources.
- E) critical success factors.

Answer: <https://biology-forums.com/index.php?topic=666147>

### Question 8

The purpose of vertical growth is to

- A) take over a function previously provided by a supplier or by a distributor.
- B) acquire a company of similar objective.
- C) sell a company encumbered with debt.
- D) expand to countries with strong trade alliances.
- E) take over a function previously supplied by a former employer.

Answer: <https://biology-forums.com/index.php?topic=665294>

### Question 9

A candidate for a fourth stage in corporate development is

- A) conglomerate structure.
- B) matrix structure.
- C) hybrid structure.
- D) divisional structure.
- E) strategic business units.

Answer: <https://biology-forums.com/index.php?topic=665745>

### Question 10

According to Porter, the collective strength of the interaction of potential entrants, buyers, substitutes, suppliers, firm rivalry, and other stakeholders determine

- A) the aggregate level of demand for a product line.
- B) the amount of pressure from the societal environment.
- C) the level of government action in an industry.
- D) the ultimate profit potential in the industry measured in terms of long-run return on invested capital.
- E) the probable industry attractiveness and business strength position.

Answer: <https://biology-forums.com/index.php?topic=665939>

### Question 11

"Let the buyer beware" is a traditional saying in free market capitalism that argues customers have the right to choose how they spend their money.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=665658>

### Question 12

New product development would be a core competency if it goes beyond one division.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=666059>

### Question 13

ABC is an accounting method for allocating direct and fixed costs to individual products.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=666074>

### Question 14

Which method of managing disparate cultures is the most common and most destructive method of dealing with two different cultures because one company imposes its demands at the expense of another company's culture?

- A) separation
- B) deculturation
- C) integration
- D) assimilation
- E) segmentation

Answer: <https://biology-forums.com/index.php?topic=665990>

### Question 15

Which of the following is a red flag according to Schilit?

- A) nepotism on the board of directors
- B) accounts receivable growing faster than sales
- C) cash flow from operations drops below net income
- D) fluctuating gross margins over time
- E) all of the above

Answer: <https://biology-forums.com/index.php?topic=666433>

### Question 16

Ratio analysis is a valuable part of SWOT analysis, helping to assess the company's overall situation and pinpoint some problem areas.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=666289>

### Question 17

Corporations will emphasize output controls when they are following a strategy of

- A) concentric diversification.
- B) vertical integration.
- C) conglomerate diversification.
- D) retrenchment.
- E) divestment.

Answer: <https://biology-forums.com/index.php?topic=666150>

### Question 18

A global MNC should use what type of controls over its foreign units?

- A) Management should use a matrix structure allowing some limited autonomy of the foreign unit.
- B) Management should use a functional approach assigning distinct and separate responsibilities to each department throughout the MNC.
- C) Management should be given considerable latitude, but be required to meet some predetermined performance targets.
- D) Management should use a divisional approach assigning goals and targets for each product-group on all its foreign units collectively.
- E) Management needs to exert tight controls over its many units using a centralized strategic operational decision-making format.

Answer: <https://biology-forums.com/index.php?topic=666211>

### Question 19

One component of an effective action plan is the determination of the expected financial and physical consequences of each action.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=665900>

### Question 20

The real-options approach is used by Chevron for bidding on petroleum reserves.

- A) True
- B) False

Answer: <https://biology-forums.com/index.php?topic=665469>