

c1

Student: _____

1. The four key attributes of strategic management include the idea that a
 - A. strategy must be directed toward overall organizational goals and objectives.
 - B. strategy must be focused on long-term objectives.
 - C. strategy must be focused on one specific area of an organization.
 - D. strategy must focus on competitor strengths.

2. The four key attributes of strategic management include all of the following *except*
 - A. including multiple stakeholder interests in decision making.
 - B. incorporating both short-term and long-term perspectives.
 - C. recognizing the trade-offs between effectiveness and efficiency.
 - D. emphasis on the attainment of short-term objectives.

3. Stakeholders are
 - A. a new way to describe shareholders.
 - B. individuals, groups, and organizations who have a stake in the success of the organization.
 - C. creditors who hold a lien on the assets of the organization.
 - D. attorneys and their clients who sue the organization.

4. Operational effectiveness includes all *except*
- A. benchmarking.
 - B. performing different activities than rivals.
 - C. business process re-engineering.
 - D. just-in-time.
5. According to Henry Mintzberg, the realized strategies of a firm
- A. are a combination of deliberate and emergent strategies.
 - B. are a combination of deliberate and differentiation strategies.
 - C. must be based on a company's strategic plan.
 - D. must be kept confidential for competitive reasons.
6. In order to increase their competitiveness, organizations must continually analyze their strategy and their competitive environments. Strategy analysis includes
- A. assessing intellectual capital as well as analyzing the internal and external environment.
 - B. formulating Internet and international-level strategy.
 - C. strategic leadership and fostering entrepreneurship.
 - D. strategy implementation and strategic controls.
7. In terms of strategy analysis, the textbook describes Roth, CEO of Nortel, as having
- A. set low targets.
 - B. ignored the experiences of competitors and set unrealistically high growth targets.
 - C. focused on the economic landscape.
 - D. all of these are correct

8. Sears has developed a sophisticated quantitative model and found that there were positive relationships between employee satisfaction, customer satisfaction, and financial results. According to the text, this is an example of
- A. zero-sum relationship among stakeholders.
 - B. stakeholder symbiosis.
 - C. rewarding stakeholders.
 - D. emphasizing financial returns.
9. An organization is responsible to many different entities. In order to meet the demands of these groups, organizations must participate in stakeholder management. Stakeholder management means that
- A. interests of the shareholders are not the only interests that matter.
 - B. stakeholders are second in importance to the shareholders.
 - C. stakeholders and managers inevitably work at cross-purposes.
 - D. all stakeholders receive financial rewards.
10. While working to prioritize and fulfill their responsibilities, members of an organization's board of directors should
- A. represent their own interests.
 - B. represent the interests of the shareholders.
 - C. direct all actions of the CEO.
 - D. emphasize the importance of short-term goals.

11. Members of boards of directors are

- A. appointed by the Securities and Exchange Commission.
- B. elected by the shareholders as their representatives.
- C. elected by the public.
- D. only allowed to serve one term of four years.

12. Managers should do more than just focus on short-term financial performance. One concept that helps managers do this is stakeholder symbiosis. This means that

- A. stakeholders are dependent on each other for their success.
- B. stakeholders look out for their individual interests.
- C. one can only gain at the expense of someone else.
- D. all stakeholders want to maximize shareholder returns.

13. Firms must be aware of goals other than short-term profit maximization. One area of concern should be social responsibility which is

- A. the expectation that business will strive to improve the overall welfare of society.
- B. the idea that organizations are solely responsible to local citizens.
- C. the fact that court costs could impact the financial bottom line.
- D. the idea that businesses are responsible to maintain a healthy social climate for their employees.

14. According to the text, the "triple bottom line" approach to corporate accounting includes which three components
- A. financial, environmental, and customer.
 - B. financial, organizational, and customer.
 - C. financial, environmental, and social.
 - D. financial, organizational, and psychological.
15. Firms must be concerned with many types of capital. In the broader sense, these could include
- A. employee goals.
 - B. organizational vision.
 - C. mission statements.
 - D. ecological, material, and social.
16. Many organizations have a large number of functional areas with very diverse, and sometimes competing, interests. Such organizations will be most effective if
- A. each functional area focuses on achieving their own goals.
 - B. functional areas work together to attain overall goals.
 - C. goals are defined at the bottom and implemented at the top.
 - D. management and employees have separate goals.

17. The text argues that a strategic perspective in an organization should be emphasized

- A. at the top of the organization.
- B. at the middle of the organization.
- C. throughout the organization.
- D. from the bottom up.

18. As our world increases in complexity, the global environment is increasingly competitive and challenging. The key to effective globalization is

- A. managing the flow of goods.
- B. more people speaking more languages.
- C. managing the flow of capital, people, and information.
- D. governmental regulations.

19. As firms work to become more efficient and effective in the global business environment, they are forced to continually innovate. Innovation in an organization

- A. will always increase a firm's performance.
- B. may enhance or destroy a firm's capabilities.
- C. should not be pursued by industry leaders.
- D. happens only incrementally.

20. Peter Senge, of MIT recognized three types of leaders. _____ are individuals that, although having little positional power and formal authority, generate their power through the conviction and clarity of their ideas.

- A. Local line leaders
- B. Executive leaders
- C. Internal networkers
- D. Shop floor leaders

21. Leadership is a necessary (but not sufficient) condition for organizational success. Leaders should emerge at which level(s) of an organization?

- A. Only at the top
- B. In the middle
- C. Throughout the organization
- D. Only during times of change

22. The hierarchy of organizational goals is in this order (least specific to most specific)

- A. vision statements, strategic objectives, and mission statements.
- B. mission statements, strategic objectives, and vision statements.
- C. vision statements, mission statements, and strategic objectives.
- D. mission statements, vision statements, and strategic objectives.

23. Wellpoint Health Networks states: "Wellpoint will redefine our industry: through a new generation of consumer-friendly products that put individuals back in control of their future." This is an example of a

- A. strategic objective.
- B. vision statement.
- C. vague statement of direction.
- D. line manager's individual goal.

24. Effective vision statements include

- A. all strategic directions of the organization.
- B. a brief statement of the company's direction.
- C. strategic posturing and future objectives.
- D. financial objectives and projected figures.

25. Examples of _____ include "To be the happiest place on earth" (Disney), and "Restoring patients to full life" (Medtronics).

- A. vision statements
- B. mission statements
- C. strategic objectives
- D. operational objectives

26. In contrast to an organization's vision, its mission should

- A. be shorter in length.
- B. encompass both the purpose of the company as well as the basis of competition.
- C. encompass all the major rules and regulations of the corporate work force.
- D. be less detailed.

27. Which "organizational vision" did the text credit belonging to BCE Bell Canada Enterprises?

- A. "Restoring patients to full life."
- B. "Providing Canadians with a one-stop destination in meeting their needs."
- C. "Clear, Simple, First, True, Profitable, Proud."
- D. "The world's best quick service restaurant."

28. Vision statements are used to create a better understanding of the organization's overall purpose and direction. Vision statements

- A. are very specific.
- B. provide specific objectives.
- C. set organizational structure.
- D. evoke powerful and compelling mental images.

29. Fortune Brands states they will "cut corporate costs by \$30 million a year." This is an example of a
- A. nonfinancial strategic objective.
 - B. financial strategic objective.
 - C. vision statement.
 - D. mission statement.
30. Strategic management consists of the analysis, decisions, and actions an organization undertakes in order to create and sustain competitive advantages.
- True False
31. Strategic management includes strategy analysis, strategy formulation, and strategy implementation.
- True False
32. According to the text, formulating strategy includes taking into consideration strategy at the business, international, digital, and corporate levels.
- True False
33. Shareholders in a company are the only individuals with an interest in the financial performance in the company.
- True False
34. Shareholders, employees, and the community at large are among a firm's stakeholders.
- True False

35. Symbiosis is the ability to recognize interdependencies among the interests of multiple stakeholders within and outside an organization.

True False

36. Social responsibility is the idea that organizations are not only accountable to shareholders but also to the community at large.

True False

37. Sears has developed a sophisticated quantitative model that can predict the relationship between employee satisfaction, customer satisfaction, and financial results. This is an example of a symbiotic approach to strategic management.

True False

38. Decisions by boards of directors are always consistent with shareholder interests.

True False

39. Social responsibility for Suncor Energy of Calgary means accountability to customers but NOT to employees.

True False

40. The strategic management process should be addressed only by top-level executives. Mid-level and low-level employees are best equipped to implement the organization's strategies.

True False

41. Globalization is the flow of capital, people, and information throughout the world.

True False

42. Intellectual capital is becoming increasingly important in today's economy. It is a concern of managers throughout organizations.

True False

43. Objectives in organizations should be clear, stated, and known by employees throughout the organization.

True False

44. Strategic management should only include short-term objectives. Long-term objectives are covered in the organization's vision statement.

True False

45. Organizational goals and objectives should be vague in order to allow for changes in strategy.

True False

46. Organizational vision statements are the beginning point for the hierarchy of goals throughout the organization. An organization's vision statement should be massively inspiring, overarching, and long-term.

True False

47. Although vision statements vary from organization to organization, vision statements are intended to motivate and inspire employees to work toward a general goal.

True False

48. According to the text, a mission statement is an overarching statement that is massively inspiring, long-term, and only discusses the purpose of the company.

True False

49. A mission statement encompasses both the purpose of the company as well as the basis of competition and competitive advantage.

True False

50. Strategic objectives should be measurable, specific, appropriate, and realistic, but not constrained by time deadlines.

True False

51. It is important for organizations to primarily focus on financial objectives and be less concerned about other objectives and goals.

True False

52. The strategic management process includes strategy analysis, strategy formulation, and strategy implementation. Discuss each of these steps.
53. Discuss what is meant by recognizing trade-off between efficiency and effectiveness and provide an example of how this attribute of strategic management could influence the strategic decisions of a firm.
54. A firm has a variety of different stakeholders. Identify several possible stakeholders a firm may have and discuss how the firm may achieve stakeholder symbiosis.

55. Globalization is impacting most firms today. Discuss what "globalization" means and how and why it impacts today's firms.

56. The text discusses several characteristics of effective strategic objectives. List several of these and discuss why a firm's strategic objectives should meet these criteria.

c1 Key

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Dess - Chapter 01 #1

Learning Objective: 01-02 The four key attributes of strategic management and the three principal and interrelated activities of the strategic management process.

2. The four key attributes of strategic management include all of the following *except*
- A. including multiple stakeholder interests in decision making.
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Dess - Chapter 01 #2

Learning Objective: 01-02 The four key attributes of strategic management and the three principal and interrelated activities of the strategic management process.

3. Stakeholders are

A. a new way to describe shareholders.

B. individuals, groups, and organizations who have a stake in the success of the organization.

C. creditors who hold a lien on the assets of the organization.

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Dess - Chapter 01 #3

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

4. Operational effectiveness includes all *except*

A. benchmarking.

B. performing different activities than rivals.

C. business process re-engineering.

D. just-in-time.

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Dess - Chapter 01 #4

Learning Objective: 01-01 The essence and definitions of strategy; strategic management; and competitive advantage.

5. According to Henry Mintzberg, the realized strategies of a firm

A. are a combination of deliberate and emergent strategies.

B. are a combination of deliberate and differentiation strategies.

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Dess - Chapter 01 #5

Learning Objective: 01-02 The four key attributes of strategic management and the three principal and interrelated activities of the strategic management process.

6. In order to increase their competitiveness, organizations must continually analyze their strategy and their competitive environments. Strategy analysis includes

- A. assessing intellectual capital as well as analyzing the internal and external environment.
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Dess - Chapter 01 #6

Learning Objective: 01-02 The four key attributes of strategic management and the three principal and interrelated activities of the strategic management process.

7. In terms of strategy analysis, the textbook describes Roth, CEO of Nortel, as having

- A. set low targets.
- B. ignored the experiences of competitors and set unrealistically high growth targets.
- C. focused on the economic landscape.
- D. all of these are correct

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Dess - Chapter 01 #7

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8. Sears has developed a sophisticated quantitative model and found that there were positive relationships between employee satisfaction, customer satisfaction, and financial results. According to the text, this is an example of

- A. zero-sum relationship among stakeholders.
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Dess - Chapter 01 #8

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

9. An organization is responsible to many different entities. In order to meet the demands of these groups, organizations must participate in stakeholder management. Stakeholder management means that

- A. interests of the shareholders are not the only interests that matter.**
- B. stakeholders are second in importance to the shareholders.
- C. stakeholders and managers inevitably work at cross-purposes.
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Dess - Chapter 01 #9

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

10. While working to prioritize and fulfill their responsibilities, members of an organization's board of directors should
- A. represent their own interests.
 - B.** represent the interests of the shareholders.
 - C. direct all actions of the CEO.
 - D. emphasize the importance of short-term goals.

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Dess - Chapter 01 #10

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

11. Members of boards of directors are
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Dess - Chapter 01 #11

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

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- A. stakeholders are dependent on each other for their success.
 - B. stakeholders look out for their individual interests.
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Dess - Chapter 01 #12

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13. Firms must be aware of goals other than short-term profit maximization. One area of concern should be social responsibility which is
- A. the expectation that business will strive to improve the overall welfare of society.
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Dess - Chapter 01 #13

Learning Objective: 01-04 The importance of social responsibility; including environmental sustainability; and how it can enhance a corporation's innovation strategy.

14. According to the text, the "triple bottom line" approach to corporate accounting includes which three components
- A. financial, environmental, and customer.
 - B. financial, organizational, and customer.
 - C. financial, environmental, and social.
 - D. financial, organizational, and psychological.

Accessibility: Keyboard Navigation

Dess - Chapter 01 #14

Learning Objective: 01-04 The importance of social responsibility; including environmental sustainability; and how it can enhance a corporation's innovation strategy.

15. Firms must be concerned with many types of capital. In the broader sense, these could include
- A. employee goals.
 - B. organizational vision.
 - C. mission statements.
 - D. ecological, material, and social.

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Dess - Chapter 01 #15

Learning Objective: 01-04 The importance of social responsibility; including environmental sustainability; and how it can enhance a corporation's innovation strategy.

16. Many organizations have a large number of functional areas with very diverse, and sometimes competing, interests. Such organizations will be most effective if
- A. each functional area focuses on achieving their own goals.
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 - C. goals are defined at the bottom and implemented at the top.
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Dess - Chapter 01 #16

Learning Objective: 01-05 The key environmental forces that create unpredictable change and call for a greater strategic management perspective throughout the organization.

17. The text argues that a strategic perspective in an organization should be emphasized
- A. at the top of the organization.
 - B. at the middle of the organization.
 - C.** throughout the organization.
 - D. from the bottom up.

Accessibility: Keyboard Navigation

Dess - Chapter 01 #17

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

18. As our world increases in complexity, the global environment is increasingly competitive and challenging. The key to effective globalization is
- A. managing the flow of goods.
 - B. more people speaking more languages.
 - C. managing the flow of capital, people, and information.
 - D. governmental regulations.

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Dess - Chapter 01 #18

Learning Objective: 01-05 The key environmental forces that create unpredictable change and call for a greater strategic management perspective throughout the organization.

19. As firms work to become more efficient and effective in the global business environment, they are forced to continually innovate. Innovation in an organization
- A. will always increase a firm's performance.
 - B. may enhance or destroy a firm's capabilities.
 - C. should not be pursued by industry leaders.
 - D. happens only incrementally.

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Dess - Chapter 01 #19

Learning Objective: 01-04 The importance of social responsibility; including environmental sustainability; and how it can enhance a corporation's innovation strategy.

20. Peter Senge, of MIT recognized three types of leaders. _____ are individuals that, although having little positional power and formal authority, generate their power through the conviction and clarity of their ideas.

- A. Local line leaders
- B. Executive leaders
- C. Internal networkers
- D. Shop floor leaders

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Dess - Chapter 01 #20

Learning Objective: 01-05 The key environmental forces that create unpredictable change and call for a greater strategic management perspective throughout the organization.

21. Leadership is a necessary (but not sufficient) condition for organizational success. Leaders should emerge at which level(s) of an organization?

- A. Only at the top
- B. In the middle
- C. Throughout the organization
- D. Only during times of change

Accessibility: Keyboard Navigation

Dess - Chapter 01 #21

Learning Objective: 01-05 The key environmental forces that create unpredictable change and call for a greater strategic management perspective throughout the organization.

22. The hierarchy of organizational goals is in this order (least specific to most specific)
- A. vision statements, strategic objectives, and mission statements.
 - B. mission statements, strategic objectives, and vision statements.
 - C. vision statements, mission statements, and strategic objectives.
 - D. mission statements, vision statements, and strategic objectives.

Accessibility: Keyboard Navigation

Dess - Chapter 01 #22

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

23. Wellpoint Health Networks states: "Wellpoint will redefine our industry: through a new generation of consumer-friendly products that put individuals back in control of their future." This is an example of a
- A. strategic objective.
 - B. vision statement.
 - C. vague statement of direction.
 - D. line manager's individual goal.

Accessibility: Keyboard Navigation

Dess - Chapter 01 #23

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

24. Effective vision statements include
- A. all strategic directions of the organization.
 - B. a brief statement of the company's direction.
 - C. strategic posturing and future objectives.
 - D. financial objectives and projected figures.

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Dess - Chapter 01 #24

25. Examples of _____ include "To be the happiest place on earth" (Disney), and "Restoring patients to full life" (Medtronics).

- A. vision statements
- B. mission statements
- C. strategic objectives
- D. operational objectives

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Dess - Chapter 01 #25

26. In contrast to an organization's vision, its mission should

- A. be shorter in length.
- B. encompass both the purpose of the company as well as the basis of competition.
- C. encompass all the major rules and regulations of the corporate work force.
- D. be less detailed.

Accessibility: Keyboard Navigation

Dess - Chapter 01 #26

27. Which "organizational vision" did the text credit belonging to BCE Bell Canada Enterprises?

- A. "Restoring patients to full life."
- B. "Providing Canadians with a one-stop destination in meeting their needs."
- C. "Clear, Simple, First, True, Profitable, Proud."
- D. "The world's best quick service restaurant."

Accessibility: Keyboard Navigation

Dess - Chapter 01 #27

28. Vision statements are used to create a better understanding of the organization's overall purpose and direction. Vision statements
- A. are very specific.
 - B. provide specific objectives.
 - C. set organizational structure.
 - D.** evoke powerful and compelling mental images.

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Dess - Chapter 01 #28

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

29. Fortune Brands states they will "cut corporate costs by \$30 million a year." This is an example of a
- A. nonfinancial strategic objective.
 - B.** financial strategic objective.
 - C. vision statement.
 - D. mission statement.

Accessibility: Keyboard Navigation

Dess - Chapter 01 #29

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

30. Strategic management consists of the analysis, decisions, and actions an organization undertakes in order to create and sustain competitive advantages.

TRUE

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Dess - Chapter 01 #30

Learning Objective: 01-01 The essence and definitions of strategy; strategic management; and competitive advantage.

31. Strategic management includes strategy analysis, strategy formulation, and strategy implementation.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #31

Learning Objective: 01-02 The four key attributes of strategic management and the three principal and interrelated activities of the strategic management process.

32. According to the text, formulating strategy includes taking into consideration strategy at the business, international, digital, and corporate levels.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #32

Learning Objective: 01-02 The four key attributes of strategic management and the three principal and interrelated activities of the strategic management process.

33. Shareholders in a company are the only individuals with an interest in the financial performance in the company.

FALSE

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Dess - Chapter 01 #33

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

34. Shareholders, employees, and the community at large are among a firm's stakeholders.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #34

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

35. Symbiosis is the ability to recognize interdependencies among the interests of multiple stakeholders within and outside an organization.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #35

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

36. Social responsibility is the idea that organizations are not only accountable to shareholders but also to the community at large.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #36

Learning Objective: 01-04 The importance of social responsibility; including environmental sustainability; and how it can enhance a corporation's innovation strategy.

37. Sears has developed a sophisticated quantitative model that can predict the relationship between employee satisfaction, customer satisfaction, and financial results. This is an example of a symbiotic approach to strategic management.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #37

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

38. Decisions by boards of directors are always consistent with shareholder interests.

FALSE

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Dess - Chapter 01 #38

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

39. Social responsibility for Suncor Energy of Calgary means accountability to customers but NOT to employees.

FALSE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #39

Learning Objective: 01-04 The importance of social responsibility; including environmental sustainability; and how it can enhance a corporation's innovation strategy.

40. The strategic management process should be addressed only by top-level executives. Mid-level and low-level employees are best equipped to implement the organization's strategies.

FALSE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #40

Learning Objective: 01-04 The importance of social responsibility; including environmental sustainability; and how it can enhance a corporation's innovation strategy.

41. Globalization is the flow of capital, people, and information throughout the world.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #41

Learning Objective: 01-05 The key environmental forces that create unpredictable change and call for a greater strategic management perspective throughout the organization.

42. Intellectual capital is becoming increasingly important in today's economy. It is a concern of managers throughout organizations.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #42

Learning Objective: 01-05 The key environmental forces that create unpredictable change and call for a greater strategic management perspective throughout the organization.

43. Objectives in organizations should be clear, stated, and known by employees throughout the organization.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #43

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

44. Strategic management should only include short-term objectives. Long-term objectives are covered in the organization's vision statement.

FALSE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #44

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

45. Organizational goals and objectives should be vague in order to allow for changes in strategy.

FALSE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #45

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

46. Organizational vision statements are the beginning point for the hierarchy of goals throughout the organization. An organization's vision statement should be massively inspiring, overarching, and long-term.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #46

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

47. Although vision statements vary from organization to organization, vision statements are intended to motivate and inspire employees to work toward a general goal.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #47

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

48. According to the text, a mission statement is an overarching statement that is massively inspiring, long-term, and only discusses the purpose of the company.

FALSE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #48

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

49. A mission statement encompasses both the purpose of the company as well as the basis of competition and competitive advantage.

TRUE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #49

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

50. Strategic objectives should be measurable, specific, appropriate, and realistic, but not constrained by time deadlines.

FALSE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #50

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

51. It is important for organizations to primarily focus on financial objectives and be less concerned about other objectives and goals.

FALSE

Accessibility: Keyboard Navigation

Dess - Chapter 01 #51

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

52. The strategic management process includes strategy analysis, strategy formulation, and strategy implementation. Discuss each of these steps.

Answers will vary

Dess - Chapter 01 #52

Learning Objective: 01-01 The essence and definitions of strategy; strategic management; and competitive advantage.

53. Discuss what is meant by recognizing trade-off between efficiency and effectiveness and provide an example of how this attribute of strategic management could influence the strategic decisions of a firm.

Efficiency involves the wise use of resources and the relationship between inputs and outputs. Effectiveness relates to the extent to which an organization attains its goals. It is possible for a firm to be efficient but not effective. Examples will vary.

Dess - Chapter 01 #53

Learning Objective: 01-02 The four key attributes of strategic management and the three principal and interrelated activities of the strategic management process.

54. A firm has a variety of different stakeholders. Identify several possible stakeholders a firm may have and discuss how the firm may achieve stakeholder symbiosis.

Stakeholders include suppliers, customers, investors, shareholders, government, employees, and communities. Stakeholder symbiosis involves doing things that benefit multiple stakeholders.

Dess - Chapter 01 #54

Learning Objective: 01-03 The vital role of corporate governance and stakeholder management in the strategic management process and the long-term success of all organizations.

55. Globalization is impacting most firms today. Discuss what "globalization" means and how and why it impacts today's firms.

Globalization involves the movement of goods and services, investments, people and information across borders. Globalization requires that organizations increase their ability to learn and collaborate and to manage diversity, complexity and ambiguity.

Dess - Chapter 01 #55

Learning Objective: 01-05 The key environmental forces that create unpredictable change and call for a greater strategic management perspective throughout the organization.

56. The text discusses several characteristics of effective strategic objectives. List several of these and discuss why a firm's strategic objectives should meet these criteria.

To be effective, strategic objectives must meet the SMART criteria-specific, measurable, appropriate, realistic and timely. SMART objectives help to direct employees toward common goals, motivate and inspire employees, resolve conflicts, and provide the basis for rewards and incentives.

Dess - Chapter 01 #56

Learning Objective: 01-06 How an awareness of a hierarchy of strategic goals can help an organization achieve coherence in its strategic direction.

c1 Summary

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