

MCQs on Business Strategies- Lesson 4.3

1. What does a centralized strategy emphasize?
 - A) Local autonomy in decision-making
 - B) Uniformity and consistency across all locations
 - C) Quick adaptation to local market needs
 - D) Expanding through purchasing other companies

2. A decentralized strategy is best described as:
 - A) Keeping decision-making at the headquarters
 - B) Allowing local branches to make decisions that best fit their market
 - C) Buying other companies to grow
 - D) Ensuring that all branches operate in the same way

3. What is a primary benefit of adopting an acquisition strategy?
 - A) It ensures uniformity across the company
 - B) It allows for quick entry into new markets or sectors
 - C) It decentralizes the company's management
 - D) It reduces the company's operational costs

4. Which of the following is a potential drawback of a centralized strategy?
 - A) It can be slow to respond to local market changes

- B) It might cause the company to expand too quickly
- C) It gives too much power to local managers
- D) It reduces the company's control over its branches

5. Decentralized strategies can lead to:

- A) Less innovation due to uniformity
- B) Faster decision-making at the local level
- C) Difficulties in merging with other companies
- D) A stronger sense of control from the central office

6. What is a major risk associated with acquisition strategies?

- A) Decreased efficiency in decision-making
- B) Potential for cultural clashes and integration issues
- C) Loss of local market knowledge
- D) Overemphasis on centralized control

Answer: B) Potential for cultural clashes and integration issues