



# CIMAPRO15-E03-X1-ENG<sup>Q&As</sup>

E3 - Strategic Management Question Tutorial

**Pass CIMA CIMAPRO15-E03-X1-ENG Exam with 100% Guarantee**

Free Download Real Questions & Answers **PDF** and **VCE** file from:

<https://www.geekcert.com/cimapro15-e03-x1-eng.html>

100% Passing Guarantee  
100% Money Back Assurance

Following Questions and Answers are all new published by CIMA  
Official Exam Center

-  **Instant Download** After Purchase
-  **100% Money Back** Guarantee
-  **365 Days** Free Update
-  **800,000+** Satisfied Customers





### QUESTION 1

Ansoff has provided a product/market growth matrix which denotes possible strategic directions that an organization can follow.

Which of the following statements correctly describe the strategic options generated by the matrix? (Choose all that apply.)

- A. Diversification using new products in new markets.
- B. Product development using new products in new markets.
- C. Market development using existing products in new markets.
- D. Market penetration using existing products within existing markets.
- E. Market penetration using existing products in new markets.
- F. Market penetration using new products within existing markets.

Correct Answer: BDF

---

### QUESTION 2

#### DRAG DROP

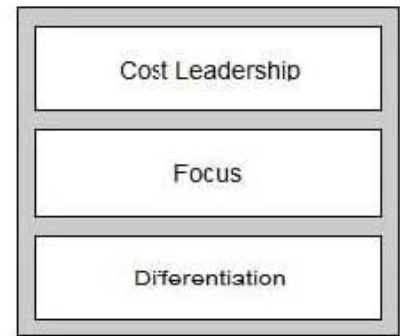
In order to organize the value-adding activities to support a chosen strategy, Porter's Generic Strategies are often applied within an organization's value chain.

Against each of the activities listed below, select the Generic Strategy which best defines the strategic approach being taken.

Select and Place:

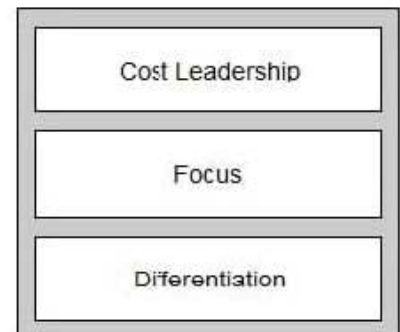


Activity within the value chain	Generic Strategy
Operations: Mass production in low wage economies.	
Procurement: Bulk purchasing of raw materials.	
Marketing and Sales: Exclusive brand development and promotion.	
Infrastructure: Business based in one location, close to its customers.	
Human Resource Management: Regular training in customer service.	
Marketing and Sales: Advertising based on quality of product/service.	



Correct Answer:

Activity within the value chain	Generic Strategy
Operations: Mass production in low wage economies.	Cost Leadership
Procurement: Bulk purchasing of raw materials.	Cost Leadership
Marketing and Sales: Exclusive brand development and promotion.	Differentiation
Infrastructure: Business based in one location, close to its customers.	Focus
Human Resource Management: Regular training in customer service.	Differentiation
Marketing and Sales: Advertising based on quality of product/service.	Differentiation





### QUESTION 3

Z is a medium-sized UK based accounting practice. Z operates a graduate training scheme. The trainees are given an induction and then placed on a three-year training programme designed to help develop professional skills and experience.

The training programme has been in existence for many years. However, there is no clear consensus amongst the partners of Z about what the trainees should be able to do on completion of the programme and therefore what the training

programme should emphasize. This lack of clarity is affecting the morale and commitment of the trainees and significant numbers are failing the programme or leaving to join a rival firm.

Z's HR Department recognizes the need for committed and well motivated accountants to meet the increased expectations of clients and the competition from rival firms. The HR Department has identified changes to the training programme that can be implemented gradually through a series of initiatives.

Which TWO of the following statements regarding the change required in Z are correct? (Choose two.)

- A. Understanding which day-to-day behaviors to reinforce within the training programme, is about 'routines and rituals' according to the Cultural Web.
- B. The change would be classified as a 'revolutionary change' according to Balogun and Hope Hailey.
- C. The need to manage the competitive position is an example of an 'external direct trigger' for change.
- D. The plans to combat competition would be considered as a 'structure' factor according to the McKinsey 7 S model.
- E. The skills, abilities and competences of the organization's employee's are a 'hard' factor according to the McKinsey 7 S model.

Correct Answer: CE

### QUESTION 4

STU is a hospital that is wholly funded by its national government. In the last five years it has seen its funding cut by over 30% due to budgetary pressure on the government, caused by a global recession. As a result, the senior management team of STU has had to make some very difficult decisions about prioritizing how it spends the funds it receives from the government. Its main strategies have been to reduce the number of administration staff and nursing staff by 20%, in order to reduce its costs. It has also stopped providing a number of services to patients, including its counselling services and its physiotherapy unit.

Which of the following strategies has STU adopted to manage its reduced funding? (Choose all that apply.)

- A. Liquidation
- B. Divestment
- C. Retrenchment
- D. Facilitation
- E. Turnaround



Correct Answer: B

Reference: [http://www.cbsmohali.org/course\\_material/fourth\\_semester/strategic%20management.pdf](http://www.cbsmohali.org/course_material/fourth_semester/strategic%20management.pdf) (63)

---

### QUESTION 5

Plush is a medium-sized hotel which recently opened on the outskirts of a city which is popular with tourists. It has a sophisticated website which allows customers to pre-book rooms and additional items, such as meals in its restaurant and tickets for popular tourist attractions in the city.

Plush has listed its website on a popular hotel price comparison website, which allows customers to compare prices and facilities of hotels in the same area and this has resulted in over 60% of Plush's customer bookings so far.

Since listing on the price comparison website, the Sales Manager of Plush has noticed that the prices offered by its nearest competitors have reduced dramatically and their range of special offers have also increased.

Which TWO of Porter's Five Forces have been most affected by the use of the price comparison website by the hotels in the same area as Plush? (Choose two.)

- A. Competitive rivalry.
- B. Threat of substitutes.
- C. Bargaining power of suppliers.
- D. Threat of new entrants.
- E. Bargaining power of customers.

Correct Answer: BE

[CIMAPRO15-E03-X1-ENG  
Practice Test](#)

[CIMAPRO15-E03-X1-ENG  
Study Guide](#)

[CIMAPRO15-E03-X1-ENG  
Braindumps](#)