



CIMA

CIMAPRO19-E03-1-ENG

E3 Strategic Management

QUESTION & ANSWERS

Question: 1

Select the quality associated with effective coaching and mentoring for each of the descriptions below:

A confidential non-judgmental listener.		Strategic
Able to state wants and needs without being aggressive.		Networker
Able to take a long-term view.		Sounding Board
Skilled at identifying and knowing how to develop connections.		Assertive
Treats people equally. Lacks bias and is not prejudiced.		Fair
Good at bouncing around ideas.		Supportive

Answer:

A confidential non-judgmental listener.	Assertive	Strategic
Able to state wants and needs without being aggressive.	Supportive	Networker
Able to take a long-term view.	Strategic	Sounding Board
Skilled at identifying and knowing how to develop connections.	Networker	Assertive
Treats people equally. Lacks bias and is not prejudiced.	Fair	Fair
Good at bouncing around ideas.	Sounding Board	Supportive

Question: 2

AAA is a car manufacturer which has undertaken a strategy to lobby a regional authority to include its flagship hybrid

model in a regional initiative to grant low-emission cars access to faster moving vehicle lanes. These faster vehicle lanes were historically only available to cars carrying passengers. Given the benefits of AAA's low emission vehicles, AAA's cars were authorised to make use of the faster lanes, even when no passengers were on board providing AAA with a decisive competitive edge.

Which of the following strategies is AAA pursuing?

- A. An environmental strategy
- B. A sustainability strategy.
- C. A non-market strategy.
- D. A market strategy

Answer: C

Question: 3

Company Y is a global business selling a selection of technological items including phones, laptops and other computer related items. In addition Y sells accessory items, music downloads, apps: digital books and video downloads including films and television series through a cooperative partnership with other companies, designed to create value for the customer.

Which of the following terms best describes what Y has created?

- A. Artificial intelligence
- B. A blockchain arrangement
- C. An entirely cloud based offering
- D. A digital ecosystem

Answer: D

Question: 4

S is a hybrid car manufacturer. S relies on strong social media presence and online marketing campaigns to drive customers to its website. S prioritises measuring and improving active usage metrics.

Which of the following metrics does S prioritise?

Select ALL that apply.

- A. Abandon rates
- B. The customer feedback score
- C. The number of customer photographs uploaded

D. Number of repeat webpage users

E. Number of registered users

Answer: A,D

Question: 5

A has a portfolio of business units. One of A's units has a total market share of 25% and its largest competitor has a market share of 20%. In the last year the overall market of this business unit has declined by 2%, although its revenues have increased by 12% following a successful marketing campaign.

According to the BCG matrix, A's business unit would be classified as which of the following?

A. Dog

B. Cash Cow

C. Star

D. Question Mark

Answer: C

Question: 6

BCD is a small private hospital providing elective surgery to patients. Elective surgery is not essential to the patient's health and can be regarded as a luxury.

Match the performance measure to the strategic goal and match the direction of improvement to each measure.

Strategic goal of BCD	Performance measure	Direction for improvement
Improve customer satisfaction		
Improve financial performance		
Increase market share		
Improve range of operations offered		