3 Lecture - MGT401

Important Mcqs

1. What is a joint venture?

A) A company acquiring another company

B) A partnership between two or more companies to pursue a specific project

C) A company merging with another company

Answer: B

2. What is a merger?

A) A partnership between two or more companies to pursue a specific project

B) A company acquiring another company

C) A company combining with another company to form a new entity Answer: C

3. What is an acquisition?

A) A company acquiring another company

B) A partnership between two or more companies to pursue a specific project

C) A company merging with another company

Answer: A

4. What is a strategic alliance?

A) A company acquiring another company

B) A partnership between two or more companies to pursue a specific project

C) A company merging with another company

Answer: B

5. Which of the following is a potential risk of a merger or acquisition?

A) Increased market share

B) Cultural differences

C) Access to new technologies

Answer: B

6. Which of the following is a potential benefit of a strategic alliance?

A) Access to new markets

B) Complete control over the project

C) Acquisition of new technologies

Answer: A

7. What is a horizontal merger?

A) A merger between two companies in the same industry

B) A merger between two companies in different industries

C) A merger between a company and its supplier

Answer: A

8. What is a vertical merger?

A) A merger between two companies in different industries

B) A merger between a company and its supplier

C) A merger between two companies in the same industry Answer: B

9. What is a conglomerate merger?

A) A merger between two companies in the same industry

B) A merger between two companies in different industries

C) A merger between a company and its supplier

Answer: B

10. What is a hostile takeover?

A) A takeover that is approved by the target company's management

B) A takeover that is opposed by the target company's management

C) A takeover that is done through a friendly negotiation process

Answer: B