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