

# 3 Lecture - MGT401

## Important Subjective

1. **What is a strategic alliance?**

A: A strategic alliance is a partnership between two or more companies to pursue a specific project or goal while retaining their independence.

2. **What is a joint venture?**

A: A joint venture is a partnership between two or more companies to create a new business entity with shared ownership and control.

3. **What is a merger?**

A: A merger is a combination of two or more companies into a single entity, typically resulting in the disappearance of one or more of the original companies.

4. **What is an acquisition?**

A: An acquisition is the process of one company acquiring another company, often through the purchase of a majority or all of its shares.

5. **What is a horizontal merger?**

A: A horizontal merger is a merger between two companies operating in the same industry or sector.

6. **What is a vertical merger?**

A: A vertical merger is a merger between two companies operating in different stages of the same industry's supply chain.

7. **What is a conglomerate merger?**

A: A conglomerate merger is a merger between two companies operating in unrelated industries.

8. **What are some potential benefits of a strategic alliance?**

A: Potential benefits of a strategic alliance include access to new markets, shared expertise and resources, and reduced costs and risks.

9. **What are some potential risks of a merger or acquisition?**

A: Potential risks of a merger or acquisition include integration challenges, cultural differences, and conflicts of interest.

10. **What is a hostile takeover?**

A: A hostile takeover is a takeover that is opposed by the target company's management and often involves the acquiring company purchasing shares on the open market without the target company's approval.