

TEST 1.1

Answer T (true) or F (false) on the line next to the question.

#	Questions	T	F
1	Profit pools allow strategic leaders to predict the outcomes of their decisions before taking efforts to implement them.	x	
2	Strategic competitiveness is achieved when a firm successfully formulates and implements a value-creating strategy.	x	
3	Risk in terms of financial returns reflects an investor's uncertainty about economic gains or losses that will result from a particular investment.	x	
4	Returns can only be measured in accounting terms such as return on assets, return on equity, or return on sales.		x
5	The two primary drivers of hyper-competition are the emergence of the global economy and technology.	x	
6	The rate of technology diffusion has been steadily increasing over the last two decades.	x	
7	One capability characteristic of a firm with strategic flexibility is the capacity to learn.	x	
8	A hard working, analytical individual who requires large amounts of concrete and precise data and a predictable environment in order to make a decision is probably poorly suited to being a strategic leader.	x	