

**MBA II/ Sem III**

**Specialization – Human Resource Management (HRM)**

**[314 HR] – HR perspective in Mergers and Acquisition**

**Multiple Choice Questions**

<b>Sr.No</b>	<b>MCQ's</b>	<b>Answer</b>
1	_____ is a Luxembourgish multinational steel manufacturing corporation headquartered in Luxembourg City. It was formed in 2006 from the takeover and merger of Arcelor by Indian-owned Mittal Steel	
	MittalArcelor	
	ArcelorMittal	
	Mittal and Arcelor	
	Mittal's Arcelor	B
2	The merger of J.P. Morgan and Bank One is an example of	
	I)Cross-border merger	
	(II) Horizontal merger only	
	(III) Conglomerate merger	
	(IV) Vertical merge	B
3	Pfizer's acquisition of Pharmacia is an example of	
	I)Cross-border merger Only	
	(II) Horizontal merger	
	(III) Conglomerate merger	
	(IV) Vertical merge	B
4	Strategic Manager is a	
	A. Strategic Partner	
	B. Administrative Expert	
	Mediator	
	D. All of the above	D
5	The following reasons are good motives for mergers except	
	I) Economies of scale	
	(II) Complementary resources	
	(III) Diversification	
	(IV) Eliminating Inefficiencie	C
6	What is the term that is designed to provide learners with the knowledge and skills needed for their present jobs?	
	A. Strategic Partner	

	B. training	
	C. career planning	
	D. succession planning	B
7	What task involves learning that goes beyond today's job and has a more long-term focus?	
	a. Onboarding	
	B. career planning	
	C. development	
	D. organizational development	C
8	Compensation paid to top management in the event of a takeover is called a:	
	A) Poison pill	
	B) Golden parachute	
	C) Self-tender	
	D) Buyout	B
9	Virtual merger has taken place in which corporate group?	
	a. TATA	
	b. Birla	
	c. Godrej	
	d. Reliance	D
10	Sony Pictures Networks India has entered into an agreement with ZEE to acquire which Sports network?	
	a. EPSN	
	b. TEN Sports	B
	c. Zee Sports	
	d. None of the above	
11	_____ involves the mutual decision of two companies to combine and become one entity; it can be seen as a decision made by two "equals."	
	Merge	A
	Takeover	
	acquisition	
	d. Both a & b	
12	_____ is usually the purchase of a smaller company by a larger one.	B
	Merge	
	Takeover	
	acquisition	
	d. Both a & b	

13	When the management and board of directors of the targeted company oppose the intended takeover it is called _____	C
	Marger	
	friendlyTakeover	
	Hostile Takeover	
	Partnership	
14	When the management and board of directors of the targeted company agree the intended takeover it is called _____	B
	Marger	
	friendlyTakeover	
	Hostile Takeover	
	Partnership	
15	A merger between firms that are involved in totally unrelated business activities is called	A
	Conglomerate	
	Horizontal Merger	
	Vertical Merger	
	Centric Marger	
16	A merger occurring between companies in the same industry is called	B
	Conglomerate	
	Horizontal Merger	
	Vertical Merger	
	Centric Marger	
17	Two companies join forces in the same industry but they are at different points on the supply chain.	C
	Conglomerate	
	Horizontal Merger	
	Vertical Merger	
	Centric Marger	
18	In some cases, two companies will share customers but provide different services. An example would be Sony who manufacture DVD players but who also bought the Columbia Pictures movie studio in 1989.	D
	Conglomerate	
	Horizontal Merger	
	Vertical Merger	
	Centric Marger	
19	_____ is an agreement that unites two existing companies into one new company	A

	Marger	
	friendlyTakeover	
	Hostile Takeover	
	Partnership	
20	In this case, the buyer merges into the target and the shareholders of the buyer get stock in the target. This is treated as a stock acquisition by the buyer.	B
	Marger	
	Reverse merger	
	Hostile Takeover	
	Partnership	
21	when the buyer sets up an acquisition subsidiary which merges into the target.	D
	I)Cross-border merger	
	(II) Horizontal merger only	
	(III) Conglomerate merger	
	(IV) Subsidiary merge	
22	When the target merges into the buyer. For e.g., when ICICI Bank acquired Bank of Madura, Bank of Madura which was the target, merged with the acquirer, ICICI Bank.	A
	I)Forward merger merger	
	(II) Horizontal merger only	
	(III) Conglomerate merger	
	(IV) Subsidiary merge	
23	When market & competitive conditions take an unexpected turn then required strategy is _____.	B
	a. Relaxed	
	b) Reactive	
	c) Both	
	d) None	
24	In which level there are no Top managers ?	C
	a) Corporate Level	
	b) Business Level	
	c) Functional Level	
	d) None of these	
25	In an _____, both companies continue to exist as separate legal entities. One of the companies becomes the parent company of the other.	A
	a.Acquisition	
	b. marger	
	c. Take over	

	d. Alliance	
26	When both entities combine and only one continues to survive while the other company ceases to exist.	B
	a. Acquisition	
	b. merger	
	c. Take over	
	d. Alliance	
27	Corporate level of management does not consists of _____.	C
	Borad of Director	
	b) Chief Executive Officer	
	c) workers	
	d) All the above.	
28	This method is based on costs incurred or recruitment, training, familiarization etc	A
	Historical Cost Method	
	Replacement Cost Method	
	Economic Value Method	
	Standard Cost Method	
29	In large organization strategies are formulated at which level	D
	a) Corporate Level	
	b) Business Level	
	c) Functional Level	
	d) All the above	
30	Benefits of Acquisitions EXCEPT	D
	Market power	
	New competencies and resources	
	Access to experts	
	Employee conflicts	
31	Which is a planned strategy	A
	a) Proactive	
	b) Reactive	
	c) Adaptive	
	d) None of these	
32	Which is not an advantage of merger	D
	Increase market Share	
	Increase profit	
	Increase customers	
	Increase employee absentism	
33	These are the challenges with Acquisitions EXCEPT	D

	Culture clashes	
	Conflicting objectives	
	Poorly matched businesses	
	New competencies and resources	
34	Which is the adaptive reaction to changing business environment	A
	a) Proactive	
	b) Reactive	
	c) Adaptive	
	d) None of these.	
35	Which is not the limitation of strategy	D
	Top level managers are concerned with _____.	A
	Mergers & Acquisition	
	Competitors	
	Employees	
	Suppliers	
36	Developing a vision and mission, identifying an organization's external opportunities and threats, and determining internal strengths and weaknesses are all _____ activities.	A
	a. strategy-formulation	
	b. strategy-implementation	
	c. long-range planning	
	d. short-range planning	
37	Merger may increase EXCEPT	D
	Image	
	Brand	
	Sales	
	losses	
38	Closing and integration of the acquisition is the _____ step of merger	C
	1st	
	2nd	
	last	
	5th	
39	The _____ acts as a trusted adviser to the employees of an organization along with the management who intend to enter to an M&A deal	D
	Purchase Department	
	Human Resource department	
	Research & Development Dept	
	Sales Dept	

40	Develop a merger or acquisition strategy is the ____ step in Marger and acquisition.	A
	1st	
	2nd	
	last	
	5th	
41	Recently _____ & _____ company have merged	A
	Vodafone and Idea	
	Vodafone and BSNL	
	Vodafone and Airtel	
	Vodafone and Jio	
42	_____ is a concept that recognizes the differences among business people of different nations, backgrounds and ethnicities, and the importance of bridging them	A
	Cross cultural diversity	
	cultural diversity	
	expatriate	
	Offshore	
43	is an individual living and/or working in a country other than his or her country of citizenship, often temporarily and for work reasons	C
	Supervisor	
	Manager	
	An expatriate employee	
44	_____ is defined as disposing of an asset through sale, exchange, or closure.	A
	divestment	
	a.Acquisition	
	b. marger	
	c. Take over	
45	expresses the degree to which an organization is matching its resources and capabilities with the opportunities in the external environment	D
	Cross cultural diversity	
	cultural diversity	
	expatriate	
	Strategic fit	
46	n the integration phase of mergers and acquisitions, people issues include	D

	1) retention of key talent;	
	2) communications;	
	3) retention of key managers;	
	all of the above	
47	The Human Resource department acts as a trusted adviser to the employees of an organization along with the management who intend to enter to	D
	Merger	
	acquisitions	
	Partnership	
	all of the above	
48	HR strategy consists of _____	D
	Strategic Recruitment and Selection	
	B. Continuous staff training and development.	
	Promotion opportunities.	
	All of the above	
49	A _____ is considered when both sides bring considerable assets into the merger e.g. from a market, product/service or capabilities perspective.	D
	I) Cross-border merger Only	
	(II) Horizontal merger	
	(III) Conglomerate merger	
	VI) merger under equals	
50	A unique capability in the organization that creates high value and differentiates organization from its competitors is called	A
	Core competencies	
	Specific competencies	
	Mission	
	Vision	
51	It is the company's plan for how it will balance its internal strengths and weaknesses with external opportunities and threats in order to maintain a competitive advantage	A
	Strategy	
	Core competencies	
	Specific competencies	
	Mission	
52	Merger and Acquisitions success entirely depends on -----Except	D
	the people who drive the Business	
	ability to Execute,	





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