

CMBA Exam Overview

The CMBA exam tests your command of the four core curriculum areas required across all accredited MBA programs. These areas are:

1. Financial reporting, analysis and markets
2. Domestic and global economic environments of organizations
3. Creation and distribution of goods and services
4. Human behavior in organizations

While most traditional MBA programs incorporate the core curriculum in the first year of study, students of executive, evening, or online MBA programs may complete core curriculum classes on alternative schedules. Whatever the case, MBA students who have completed the core curriculum of their MBA program should be prepared to take the CMBA exam without additional preparation. Below is a list of subject areas that we believe align closely with core areas prescribed by accrediting bodies:

Subject Areas (Core Curriculum)

1. Financial Accounting
2. Management Accounting
3. Quantitative Analysis
4. Microeconomics
5. Macroeconomics
6. Finance
7. Marketing Management
8. Operations Management
9. Organizational Behavior
10. Strategy

The subject area titles we have chosen are generic. The courses that you have taken may have different titles.

Subject Area Descriptions

These subject areas are further described below:

FINANCIAL ACCOUNTING. Accounting is the language of business, with its own vocabulary and rules. This area focuses on the need for users of accounting information to understand accounting systems. Accounting is studied both as a method of communication and as a decision-making tool. Emphasis is on understanding and using the balance sheet, the income statement, and the cash flow statement.

MANAGEMENT ACCOUNTING. Management Accounting is the process within an organization that provides financial and other quantitative information used by managers in planning, implementing, and controlling the organization's activities. It includes cost accounting, profit planning, responsibility accounting, and capital budgeting.

QUANTITATIVE ANALYSIS. A variety of quantitative techniques, including decision analysis, probability theory, sampling, statistical inference, time-series analysis, regression, and mathematical programming, are explored as aids in making managerial decisions in the face of varying degrees of uncertainty.

MICROECONOMICS. Microeconomics introduces the analytical skills and insights managers find useful. Recurrent themes are efficient resource allocation and value-creating marginal decisions under asymmetric information. Topics include demand and supply estimation, alternative concepts of production efficiency, competitive industry analysis, pricing techniques, rivalrous oligopoly, labor market dynamics, and managerial incentive contracts.

FINANCE. Finance applies theoretical concepts and analytical techniques to financial statement analysis, management of current assets, short-term and intermediate financing, the cost of capital, capital structure planning, and long-term financing. The stock and bond markets, including warrants, options, and other financial instruments, are major focal points.

MACROECONOMICS. Macroeconomics focuses on the role of countries in the global economy with special emphasis on world trade, the international flow of funds, monetary and fiscal policy, and the business cycle. Included are drivers of fluctuations in key features of the economies, such as gross domestic product, inflation, and exchange rates.

MARKETING MANAGEMENT. The major principles and techniques of marketing management are numerous. Buyer behavior, demand estimation, market segmentation, and brand strategy, including pricing, distribution channels, advertising, and sales force management relate to behavioral, financial, and quantitative analyses. The cultural dimensions of marketing permeate both domestic and international arenas.

OPERATIONS MANAGEMENT. Operations Management explores the relationship between the production system of the organization and the marketing, financial, and human resources systems facilitating the creation of goods and services. Content

includes process analysis, work-force management, aggregate planning and scheduling, capacity and facilities planning, management of changes in process technology, and the relationship between manufacturing and corporate strategy.

ORGANIZATIONAL BEHAVIOR. Organizational Behavior focuses on understanding human behavior at the individual and group level, including the effect of organization structure, design, and culture on that behavior. Managers have traditionally been held accountable for influencing their employees' attitudes, behaviors, and performance. Study of human behavior can help managers explain and predict the actions of others inside and outside the organization. OB explores current approaches, models, and methods that managers use to influence individuals and groups.

STRATEGY. The objectives of Strategy are to instill an understanding of (1) the viewpoints of top managers in complex organizations; (2) major concepts and frameworks in formulating and implementing strategy, as well as the dynamics of competitive rivalry; and (3) a comprehensive view of overall organizational functioning. Issues related to the implementation of global strategies in different cultural contexts are included.

Subject Area (Course) Alternative Titles:

Financial Accounting

Accounting
Accounting Concepts and Applications
Accounting Concepts and Financial Reporting
Accounting Information and Management
Corporate Financial Accounting
Corporate Financial Reporting
Financial Accounting and Reporting
Financial Reporting
Financial Reporting and Control

Managerial Accounting

Accounting Concepts and Applications
Accounting for Management and Control
Accounting for Managerial Decision Making
Accounting Information and Management
Cost Accounting
Cost Management
Financial Measurement, Analysis and Reporting
Management Accounting
Managerial Accounting and Control
Strategic Cost Analysis

Quantitative Methods

Analytical Tools for Decision Support
Applied Business Statistics
Applied Data Analysis
Applied Managerial Statistics
Applied Statistics and Data Analysis
Business Statistics
Data Analysis
Data Analysis for Managerial Decisions
Data Analysis for Managers
Data and Decisions
Data, Models and Decisions
Decision and Information Analysis
Managerial Decision Analysis
Managerial Statistics
Managerial Statistics and Forecasting
Probability and Statistics
Probability Modeling and Statistical Estimation
Quantitative Analysis for Managerial Decision Making
Quantitative Methods for Management Science
Statistics

Statistical Analysis
Statistics and Data Analysis
Statistics and Decision Modeling
Statistics for Managers
Statistical Methods for Management Decisions

Microeconomics

Applied Economics
Applied Microeconomics
Economic Analysis
Economic Analysis for Business Decisions
Economic Analysis for Managerial Decisions
Economic Analysis for Managers
Economics
Economics and Management Decisions
Economics for Managers
Economics for Business Decisions
Managerial Economics
Managerial Economics and Public Policy
Markets and the Firm
Microeconomic Analysis
Understanding Firms and Markets

Macroeconomics

Business, Government and the Global Economy
Business, Government and the International Economy
Business in the World Economy
Economic Analysis for Managers
Economics
Global Business Environment
Global Economic Environment
Global Economic Environment of the Firm
Global Economics
Global Economics for Managers
Macroeconomic Analysis and Public Policy
Management in the International Economy
Open Economy Macroeconomics
Strategic Environment of Management
The Firm in the National Economy
The Global Economic Environment
The World Economy

Finance

Asset Valuation, Risk and Return
Business Finance
Capital Budgeting and Corporate Objectives

Corporate Finance
Finance Theory
Financial Analysis
Financial Management
Financial Theory and Management
Foundations of Finance
Global Financial Management
Introductions to Finance
Managerial Finance

Marketing

Introduction to Marketing
Marketing Concepts
Marketing Management
Marketing Strategy
Methods in Marketing Management

Operations

Applied Operations and Production Management
Design and Control of the Modern Operations Functions
Operations and Technology Management
Operations Management
Production/Operations Management
Production and Operations Management
Supply Chain and Operations Management
Supply Chain Management

Organizational Behavior

Behavior in Organizations
Creating Effective Organizations
Designing and Managing Organizations
Dynamics of Organizations
Human Behavior and Organization
Human Behavior in Organizations
Human Resource Management
Human Value in Organizations
Leadership and Organizational Behavior
Leadership and Teamwork
Leadership Effectiveness, Motivational Effectiveness
Leading Organizations
Leading Teams and Organizations
Management of People at Work
Managerial Effectiveness
Managing Individuals and Organizations
Managing Organizations
Managing People and Organizations

Organizational Behavior and Design
Organizational Behavior and Diversity
Organizational Behavior and Human Resource Management
Organizational Behavior and Processes
Organizational Behavior and Teamwork
Organizational Processes
Organizational Theory and Behavior
Organizations and Management
Strategies for Leading and Managing Organizations
The Individual and Group Dynamics

Strategy

Applied Strategic Management in the Global Environment
Business Strategy
Competing in a Global Environment
Competitive Strategy
Corporate Strategy
Corporate Strategy and Planning
Global and Competitive Strategy
Global Strategic Management
Intro to Strategy
Introductions to Management and Strategy
Issues in Competitive Strategy
Management Strategy and Policy
Strategic Analysis in a Global Era
Strategic Management
Strategic Management and Business Policy
Strategy Formulation
Strategy Formulation and Implementation
Strategy in the Business Environment

Subject Objectives of the CMBA Exam Driving Specific Test Items

Financial Accounting

- Given a set of data, use the accounting equation to determine the amount of the missing balance sheet component.
- Select the accounting concept that applies to revenue recognition, accruals, recording of asset values, et al.
- Identify the roles of bodies with major influence on accounting standards/procedures.
- Given a scenario, determine the financial statement effects of various transactions affecting current assets.
- Given data, calculate the financial statements effects of various transactions affecting non-current assets, including depreciation, intangibles, investments, and deferred taxes.
- Given data, determine the amount of current liabilities to be recorded.
- Given financial data, determine carrying amounts of noncurrent liabilities and their disposition, including bonds payable, long-term leases, deferred taxes, et al.
- Given financial information, calculate working capital before and after specific transactions.
- Given a set of financial data, calculate the amount to be shown as contributed capital on the financial statements.
- Show the effects on financial statements of specified treasury stock transactions.
- Calculate book value with financial information provided.
- Determine retained earnings after a series of provided transactions.
- Given financial data, identify the financial statement effects of gains/losses from foreign currency translation, treatment of comprehensive income, et al.
- Given data, identify the effects of dividend actions on financial statements.
- Given data, calculate the amount to be shown as revenue for an accounting period.
- Given data, calculate the cost of sales under various alternatives.
- Given financial data, distinguish between expenses/expenditures, including accruals, R&D, stock options, et al.
- Given selected data, identify the financial statement effects of unrealized gains or losses.
- Given data, determine basic and diluted EPS.
- Given financial information, calculate cash from operations, investment, and financing.
- Given statements, calculate ratios related to liquidity, performance, investment utilization, financial condition, et al.

Managerial Accounting

- Identify examples of variable, fixed, and sunk costs.
- Given data, use the appropriate formulae to determine variable, fixed, and total costs.
- Given data, use opportunity cost concepts to enhance a management decision.
- Given selected financial data, determine appropriate cost allocations.
- Given data, calculate product and unit of service standard costs.
- With a given set of financial data concerning common costs, calculate the economic impact of processing specific products beyond split-off.
- Define target costing and contrast it with kaizen costing.
- Given data, determine activity-based costs of products.
- Given financial data, contrast income reported under various costing approaches (variable, full absorption, ABC).
- Given a scenario with financial information, calculate break-even in (units, dollars).
- Given price and cost information, use contribution margin in facilitating a specified managerial decision.
- Identify how period costs are treated in financial statements.
- Given financial data, determine the mix of planned products and activities that will generate optimum profits.
- Given data, analyze results of operations using a flexible budget.

- Given financial data, determine a company's most profitable product, customer, or division.
- Given a set of financial data, determine sales volume, efficiency, and price variances.
- Given selected financial information, identify relevant costs in new equipment, make-or-buy, and drop-or-add decisions.
- Given selected financial information, determine the minimum acceptable price for a special order.
- Given data, calculate the net present value of an investment opportunity
- Given a scenario, determine the transfer price that would maximize profits.
- Given financial data, contrast relative performance based on ROI, EVA, ROS, et al.
- Given a specified strategy, identify appropriate responsibility centers.
- Define Economic Value Added (EVA) and specify the kind of responsibility center in which it is appropriate.
- Identify the components of the Balanced Scorecard.

Finance

- Given financial and accounting information, calculate selected financial ratios.
- Given financial and accounting information, calculate the return on equity using the DuPont format.
- Differentiate the components of the extended DuPont equation.
- Given financial and accounting information, calculate or describe the common measures of investment performance.
- Differentiate between techniques used to forecast financial statements.
- Given appropriate information, calculate the future value of a present sum.
- Given appropriate information, calculate the present value of a future sum.
- Recognize the importance of annuities in the field of finance.
- Recognize the major characteristics of investment banking.
- Describe an initial public offering (IPO).
- Distinguish between the various types of bonds.
- Describe the common features of bonds.
- Describe the major characteristics of preferred and common stock.
- Distinguish between the various techniques used to make capital budgeting decisions.
- Describe the process of valuing corporate securities.
- Describe the process of forecasting cash flows in capital budgeting problems.
- Describe the implementation of risk analysis in capital budgeting problems.
- Explain the framework for understanding how the financial system works.
- Describe the meaning and determinants of rates of return on different classes of assets.
- Define working capital management.
- Describe the process of managing working capital assets and liabilities.
- Explain how to create value through financing decisions.
- Show how to relate a firm's financing mix to its investment decisions.
- Describe the corporate motives for mergers and acquisitions.
- Describe the process of evaluating mergers and acquisitions.

Macroeconomics

- Recognize how components of the economic environment (unemployment, inflation, growth, fiscal and monetary policy) affect firm actions.
- Describe the calculation and limits in use of published statistics (e.g., GDP, unemployment rate, inflation rate).
- Understand how changes in various components of aggregate demand (consumer demand, investment demand, government demand, net foreign demand) affect the macro economy.
- Explain how the money supply is expanded and contracted, and interpret the language of the Federal Reserve.
- Explain how changes in monetary policy are transmitted to changes in inflation and unemployment, and why the transmissions mechanisms may not work as predicted.

- Understand the causes of inflation, and predict how an inflationary period will affect the firm.
- Evaluate the effectiveness of policies designed to stimulate aggregate demand and those designed to stimulate aggregate supply.
- Define the yield curve and understand shifts in the curve.
- Order the components of the federal budget by size, and analyze the impact of budget items on firm decisions.
- Evaluate a macroeconomic forecast.
- Distinguish among the types of unemployment and the policies for dealing with them.
- Explain how the inequality of withdrawals and injections affect GDP changes.
- Understand the causes and cures for hyperinflation.
- Understand the causes of economic growth (more capital, more labor, more productivity), and predict the consequences of firms for each of these causes.
- Explain how international translation and transaction risk may affect firm balance sheet and income statement.
- Justify a decision to hedge international risk.
- Explain the various tools for hedging international risk (e.g., currency options, futures, and forward contracts).
- Recognize the special risks firms may face in operating in countries that use flexible exchange rates, pegged exchange rates, exchange controls, or currency boards to determine exchange rates.
- Evaluate changes in national protectionist policies.
- Show the connection between inflation rate and exchange rate.

Microeconomics

- Predict how rational and irrational decisions by consumers affect firms.
- Distinguish between cost and price.
- Explain how a firm can achieve a profit-maximizing price.
- Describe how fixed cost, marginal cost and average cost differ.
- Apply the supply and demand model to changes in price and quantity. Analyze the forces that shift supply and demand curves.
- Justify a marginal-cost pricing decision. Explain how fixed costs enter pricing decisions.
- Calculate price and income elasticity coefficients.
- Recognize the importance of cross elasticity.
- Distinguish between commodity and monopoly pricing.
- Apply elasticity concept to production and pricing decisions in firms.
- Explain how advertising should change the slope and position of the demand curve.
- Differentiate among various forms of industrial organization (pure competition, monopolistic competition, oligopoly, monopoly).
- Calculate the minimum point on an average cost function.
- Recognize how the competitive environment affects firm decisions.
- Describe a disequilibrium price, and predict market changes that result.
- Evaluate the use of antitrust laws and deregulation as methods of dealing with monopoly power.
- Apply the wage-pricing model to trade union behavior.
- Evaluate changes in the minimum wage.

Marketing

- Describe the marketing concept.
- Describe demand elasticity.
- Given a retail price and channel margin structure, calculate the manufacturer's contribution margin.
- Given a retail price, channel margin structure, market size and marketing investment, calculate a break-even market share.
- Given acquisition costs, revenue, contribution margin, discount rate, and loyalty period, calculate lifetime customer value.

- Given specific numbers of sales accounts and phone calls and visits possible per day by a sales representative, calculate the total number of sales representatives needed in a market.
- Given specific market size, purchase cycle, average retail price, and market share information, forecast annual dollar sales for a company's product/service.
- Given a sales problem faced by a company, select the appropriate course of action.
- Given certain market characteristics (size; demographic, geographic, psychographic, and/or behavioral descriptors), select the appropriate segmentation scheme for a firm.
- Given a particular product/service, identify the appropriate target market for a firm.
- Given characteristics (competitors' sizes and positions) of a particular market, select the appropriate positioning strategy for a firm.
- Describe the criteria for segmenting markets.
- Given a particular product life cycle stage (introduction, growth, maturity, or decline), identify the role played by a specific marketing mix variable (product/service, price, place, or promotion).
- Given a particular product life cycle stage (introduction, growth, maturity, or decline), select the appropriate marketing strategy (product/service, price, place, or promotion).
- Describe the marketing objective of a firm whose product/service is in a particular stage of the product life cycle (introduction, growth, maturity, or decline).
- Given a firm's particular marketing strategy (product/service, price, place, or promotion), select the appropriate corresponding marketing strategy (product/service, price, place, or promotion) for the firm.
- Given a particular market scenario, select the appropriate marketing strategy (product/service, price, place, or promotion) for a firm.
- Describe the relationship between type of decision-making (routinized, limited, extended) and marketing strategy (product/service, price, place, or promotion).
- Given a particular marketing objective for a company, select the appropriate person(s) (initiator, influencer, decider, buyer, user) at whom to direct a marketing campaign.
- Describe customer perceived value.
- Describe the differences between consumer and organizational markets.
- Given a particular problem encountered by a firm attempting to sell to an organizational buyer, infer the most likely cause.
- Describe the benefits and drawbacks of research contact methods (personal, mail, telephone, online).
- Given a firm's particular research objective, select the appropriate research approach (focus group, survey, etc)
- Describe the primary risk associated with filling a product line.
- Describe the primary rationale for brand extensions.
- Describe the differences between products and services.
- Given a firm's growth objective, select the appropriate product/service strategy.
- Explain the conditions under which a particular pricing strategy is appropriate.
- Given a particular pricing strategy, infer the assumption(s) underlying the approach.
- Describe yield management.
- Given a particular product/service type, select the appropriate distribution strategy (direct, intensive, selective, exclusive).
- Explain the role of the channel.
- Describe the difference between a channel and a supply chain.
- Given a specific promotional objective (building awareness, creating an image, reminding consumers of the product/service, generating excitement or involvement, encouraging trial, reducing post-purchase dissonance, protecting from competition action) for a company, select the appropriate marketing communications mix variable (advertising, consumer promotion, trade promotion, event sponsorship, point-of-sale, direct mail, publicity, personal selling, public relations).
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- Given a particular marketing communications execution, infer the underlying objective.

Organizational Behavior

- Analyze interpersonal relations in a work environment based on the concept of organizational citizenship behavior.
- Analyze performance appraisals for manifestations of rating errors.
- Explain the legal basis of sexual harassment.
- Analyze employee behavior in terms of cognitive bases of motivation.
- Analyze employee behavior in terms of environmental bases of work motivation.
- Analyze group dynamics as a function of dimensions of team interaction.
- Explain the basis of the socialization process.
- Describe the basis of leadership in organizations.
- Explain the basis of organizational culture.
- Specify the benefits of various organizational structures.
- Analyze the factors that differentiate national cultures.
- Analyze the bases of social power.
- Understand issues associated with work stress in the organization.
- Analyze issues associated with justice and fairness in the workplace.
- Analyze the rationale for organizational resistance to change.
- Specify the major equal employment laws and concepts.
- Specify the legal basis of employment discrimination.
- Analyze issues associated with gender discrimination in the workplace.
- Define the concepts of job analysis and job evaluation.
- Explain the costs and benefits of various systems of employee recruitment.
- Analyze major methods of personnel selection on the basis of staffing needs.
- Explain the benefits of training needs analyses.
- Explain the benefits of performance appraisal.
- Analyze the rationale for multi-source (360-degree) assessments of performance.
- Explain the major organizational constraints on employee compensation.
- Analyze the components of a pay structure.
- Describe the administration of employee benefits systems.
- Describe the legal basis of occupational health and safety.
- Define employee rights affecting the employment relationship.
- Explain the process of unionization.

Operations

- From a list of processes, identify a process by a primary characteristic.
- Match a process to the characteristics of the markets for its products.
- Select the correct definition for an inventory management term.
- Identify the EOQ formula from a list of several similar formulas.
- Identify the nature of the basic lot-sizing trade-off made by the EOQ formula.
- Given a bill of materials, be able to identify end items or components, which characterize dependent or independent demand.
- Given a bill of materials, calculate the number of component items needed to produce an end item.
- From a list of terms, identify those which are costs or benefits associated with carrying inventory.
- Understand the relationships between activities in a critical path diagram.
- Given information about the activities that comprise a project, identify the project's critical path.
- Given information about the activities that comprise a project, calculate the amount of slack time for an activity not on the project's critical path.
- Given information about the activities that comprise a project, identify the most cost-effective way to complete the project at an earlier date than planned.
- Identify the bottleneck in a diagram of linked activities.
- Given a scenario, calculate the capacity cushion of a process.
- Given a scenario, calculate the capital costs of increasing the capacity of a process made up of a series of linked activities.

- Given several charts and a verbal description of their purpose, identify a Pareto chart.
- Understand how charting is useful in managing quality in a process.
- Understand the use of control charts.
- Understand the relationship of statistical variance to six-sigma quality measurements.
- Identify basic aggregate planning strategies.
- Describe the relationship between the degree of customer contact and the efficiency of a service.
- Identify situations where waiting line analysis can be useful.
- Identify the inputs to a waiting line problem.
- Given several call center scenarios, (in a table) rank the scenarios in terms of efficiency.
- Given a scenario, identify the job sequence resulting from a shortest operating time job priority rule.
- Identify the job priority rule that always results in the shortest average waiting time for a single-machine.
- Identify the effects of “balance delay” in assembly line layout.
- Identify the trade-offs between job enrichment, operational flexibility and workforce training.

Quantitative Methods

- Given a scenario with probabilities and quantitative outcomes, calculate the expected value.
- Given a scenario including probabilities and end values, use the principles of decision analysis to identify the range of probabilities under which a course of action would be chosen.
- Given a scenario with a historical data distribution, identify the probability of a specified event.
- Given a scenario with two small (five numbers each) sets of data (with same average and different SD's), identify the managerial impact of having the larger SD.
- Given a scenario with normal distribution (mean and SD given) and a value, calculate the probability that corresponds to the specified value.
- Given a scenario with normal distribution (mean and SD given) and the percentile, calculate the value that corresponds to the specified probability.
- Given a scenario with normal distribution (mean and SD given), calculate parameters for the aggregated (or disaggregated) normal distribution.
- Given a scenario including sample size, average and SD, differentiate SE from SD.
- Given a scenario including sample size, average and SD; calculate the 95% confidence interval for the population average.
- Given a scenario including sample size, average, and standard deviation, determine statistical significance from the average in question and managerial implications.
- Given a scenario including three groups with their averages, sample sizes, and SD's, along with the p-value of an ANOVA, determine the managerial impact if the group means are statistically significantly different.
- Given a scenario including correlation coefficient (r) and graphs, match the correlation coefficient to appropriate graphs.
- Given a scenario, determine managerial interpretation of slope and intercept coefficients.
- Given a scenario and regression output, determine how much a coefficient might vary.
- Given historical data, determine whether or not to include an outlier in generating a prediction.
- Given a scenario, regression output, and values for the independent variables, predict range of a value.
- Given a scenario and regression output, determine the significant coefficients.
- Given a scenario and regression output, determine the managerial interpretation of coefficients.
- Given a scenario and regression output, explain managerial implications of a dummy variable.
- Given a scenario with monthly data, demonstrate an understanding of the moving average method.
- Understand how to generate a forecast with data that exhibits a long-term trend and seasonal variation..
- Given a list of situations, identify those in which simulation would be a viable approach (contain random variables.)
- Given a scenario including simulation output, determine the course of action for two alternatives with means that are not significantly different.

- Given a scenario, choose appropriate distribution for a random variable.
- Given a scenario including cost and sales data, write the objective function for the appropriate Linear Programming model.
- Given a scenario including RHS and coefficients, write a constraint for the appropriate Linear Programming model.
- Given a scenario including LP Output, determine the most critical resource to relieve.

Strategy

- Identify the key elements of strategy.
- Identify the attributes of a good strategy.
- Identify the key levels of strategy.
- Distinguish between vision and mission.
- Distinguish between different perspectives on strategy.
- Describe synergy and identify examples of it.
- Distinguish between economies of scale and scope.
- Distinguish between vertical and horizontal integration.
- Distinguish between vertical and horizontal differentiation.
- Identify various levels of uncertainty and ways of dealing with the same.
- Describe the key components of a business model.
- Identify the elements of parenting advantage.
- Describe the structure-conduct-performance paradigm.
- Describe how you would use the Porter 5 forces framework to do a structural analysis of an industry.
- Define the various ways in which an industry can be defined.
- Describe strategic groups and identify how they are useful in industry analysis.
- Describe the various stages of industry evolution.
- Describe the factors that contribute to competitive advantage.
- Distinguish between core competence and distinctive competence.
- Describe the factors that affect sustainability of competitive advantage.
- Describe network effects.
- Describe various industry structures and their implications for strategy.
- Describe key components of a value chain and value system.
- Define value as commonly used in strategic management.
- Describe the various steps in the assessment of a strategy.
- Describe vulnerability analysis.
- Describe critical success factors.
- Describe Porter's generic strategies.
- Describe what is meant by "stuck in the middle."
- Describe the two-dimensional growth vector matrix.
- Distinguish between integration and diversification.
- Describe corporate motives for mergers and acquisitions.
- Describe the process for evaluating mergers and acquisitions.
- Describe different types of alliances.
- Identify the advantages and disadvantages of alliances.
- Describe forces driving globalization.
- Distinguish between multinational, global and transnational strategies.
- Describe key organizational challenges in globalization.
- Describe the typical factors that cause an organization to go into decline.
- Describe the process involved in the strategic transformation of an organization in decline.

