IASPStrategy Planning Professional Exam

IASP SPP

Version Demo

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QUESTION NO: 1

Which of the following LEAST contributes to customer value?

A. Providing customer appreciation

B. Anticipating and adjusting for the psychological cost of the product to the customer

C. Providing a caring customer service

D. Enticing customers to participate in surveys

ANSWER: D

Explanation:

Enticing customers to participate in surveys contributes least directly to customer value because it is primarily a feedback-collection activity rather than an improvement to the customer's immediate experience, outcomes, or perceived benefits. Surveys can be strategically valuable when their findings are used to identify needs, remove friction, and improve services. However, the act of encouraging participation alone does not reduce effort, risk, anxiety, time, or other customer sacrifices; nor does it itself provide a better service outcome. Customer value is determined by the customer's perceived trade-off between benefits received and the costs or sacrifices incurred in obtaining and using an offering. In practice, organizations create value by understanding customer needs and using customer insight to make meaningful improvements across the journey. Feedback mechanisms support that work, but only indirectly until the organization acts on the insight. This distinction aligns with the customer-value perspective described by the American Marketing Association and with customer-experience guidance emphasizing the use of customer feedback to drive service and experience improvements. See the American Marketing Association's definition of marketing and Qualtrics' customer experience overview.

QUESTION NO: 2

During a strategic-planning session, the chief executive strongly advocates entering a new market. Several participants have information that challenges the expected demand, but they remain silent. What should the facilitator do FIRST?

A. Ask the chief executive to make the final decision immediately

B. Invite the group to examine the assumptions and evidence behind the market-entry proposal

C. Collect anonymous opinions after the meeting and avoid discussing the issue

D. Defer the question until implementation planning begins

ANSWER: B

Explanation:

Invite the group to examine the assumptions and evidence behind the market-entry proposal is correct because the immediate issue is not whether the chief executive's proposal is right or wrong; it is whether the planning process is allowing relevant evidence and alternative views to be considered. A facilitator should create a participatory environment in which participants can challenge assumptions constructively without turning the discussion into a personal disagreement.

Seeking anonymous input may be useful later, but it does not replace a well-facilitated discussion of the evidence available to the group. Asking the chief executive to decide immediately would reinforce the silence, while deferring the issue risks allowing an untested assumption to shape the strategy.

QUESTION NO: 3

Identifying desired outcomes helps steer a strategic planning process by

A. releasing emotional energy.

B. putting a cap on proposed investments.

C. codifying the leader's perspective.

D. helping align all participants toward a common orientation.

ANSWER: D

Explanation:

Identifying desired outcomes helps steer strategic planning by **helping align all participants toward a common orientation.** Desired outcomes describe the intended future results of the strategy, creating a shared understanding of what success will look like. This common orientation enables leaders, employees, partners, and other stakeholders to assess choices against the same strategic destination rather than treating planning as an unconnected set of activities. It also gives the planning process a practical basis for setting priorities, selecting initiatives, allocating resources, defining measures, and monitoring progress. When outcomes are explicit, participants can connect proposed actions to the value or change the organization seeks to achieve, strengthening coherence across the strategy. Strategic-planning guidance commonly treats goals and objectives as the link between an organization's mission and its actionable strategies, while performance-management frameworks emphasize translating strategy into clear objectives and measures. In this way, desired outcomes provide direction throughout planning and implementation, supporting coordinated decisions and accountability for results. See the Balanced Scorecard Institute overview and the U.S. Performance.gov strategic planning guidance.

QUESTION NO: 4

The alignment of the organization's redesign with strategy can be hindered by:

A. Having the required tools and technology

B. Developing and implementing an effective communication plan

C. Mismatches between required positions and employees' skillset

D. Adequate understanding of strategic direction by all stakeholders

ANSWER: C

Explanation:

Mismatches between required positions and employees' skillset can prevent an organizational redesign from delivering the capabilities that the strategy requires. Organizational redesign typically changes accountabilities, decision rights, workflows, reporting relationships, and the technical or leadership demands attached to roles. Strategic alignment depends not only on defining those roles correctly, but also on having people who can perform them effectively. When the available workforce lacks the necessary capabilities, the redesigned structure may exist on paper without producing the intended operational behaviors or strategic outcomes.

Workforce planning is therefore an essential companion to organizational design. It identifies the capabilities needed for future roles, compares them with current workforce capacity, and informs practical responses such as targeted learning, redeployment, succession planning, recruitment, or changes to role design. Closing these gaps enables employees to execute the responsibilities and decisions embedded in the redesigned organization, translating strategic intent into sustained performance. The importance of aligning talent capabilities with business needs is reflected in the SHRM workforce planning toolkit and in the CIPD workforce planning factsheet.

QUESTION NO: 5

Which of the following is MOST important in designing a measurement for a strategic goal?

A. Can the measurement be attained at a reasonable cost?

B. Is there agreement on the measurement?

C. Can someone be held accountable for the measurement?

D. Does the measurement actually measure the intended outcome?

ANSWER: D

Explanation:

“Does the measurement actually measure the intended outcome?” is the most important consideration because a strategic measure must be valid: it needs to provide meaningful evidence about progress toward the specific result the strategic goal seeks to achieve. A measure may be inexpensive to collect, broadly agreed upon, and assigned to an accountable owner, but those characteristics are useful only after the organization has established that the metric genuinely reflects the desired outcome. For example, a strategic goal to improve customer experience requires a measure that captures customers’ experience or its outcome, rather than merely an easy-to-count internal activity. A valid outcome measure enables leaders to assess whether the strategy is working, recognize performance gaps, make informed prioritization decisions, and adjust initiatives based on evidence. In strategy planning, measures should therefore be explicitly linked to the goal’s intended result, defined consistently, and supported by data that are sufficiently reliable for decision-making. This alignment between strategic objectives, outcomes, and performance indicators is a core principle of effective performance measurement. See the U.S. GAO performance measurement guide and the OECD guidance on performance budgeting for related principles on using relevant performance information to evaluate intended results.

QUESTION NO: 6

The optimum (best) time for the organization to begin operational planning is when the _______ has been approved and finalized.

A. CEO-Department Head Alignment Plan

B. long-term schedule

C. strategic plan

D. core values map

ANSWER: C

Explanation:

The correct completion is **strategic plan**. Operational planning translates an organization’s strategic direction into near-term, actionable work: departmental objectives, initiatives, budgets, schedules, responsibilities, and performance measures. Therefore, it should begin after leaders have formally approved and finalized the strategic plan, including its mission, priorities, goals, and intended outcomes. This sequence ensures that operational teams are working toward an agreed organizational direction rather than developing activities and allocating resources based on assumptions that may later change.

Once the strategic plan is approved, operational plans can create a clear line of sight from daily work to strategic objectives. Teams can prioritize projects, assign accountable owners, coordinate dependencies, and define measures that demonstrate progress toward the strategy. The Balanced Scorecard framework similarly describes translating strategy into operational terms and aligning organizational activities with strategic objectives. Strategic planning guidance also treats implementation and action planning as follow-on work that converts the approved strategy into execution. See the Balanced Scorecard Institute’s overview of translating strategy into action and the U.S. Small Business Administration’s strategic-planning guidance.

QUESTION NO: 7

Which of the following is the BEST approach to getting buy-in and continuous engagement from stakeholders?

A. Tell stakeholders who are against the change that they do not have a choice

B. Ask stakeholders who are against the change what is needed to get their support

C. Find ways to bypass the support of stakeholders

D. Invite key stakeholders to attend an initial planning session to discuss the change

ANSWER: B

Explanation:

Ask stakeholders who are against the change what is needed to get their support is the best approach because sustained stakeholder engagement depends on understanding interests, concerns, constraints, and the conditions under which people can participate constructively. Directly inviting dissenting stakeholders to describe what they need creates a two-way conversation rather than treating engagement as a one-time announcement. It can reveal practical implementation risks, competing priorities, resource needs, perceived impacts, or missing information that should shape the change approach. Addressing legitimate concerns transparently also builds trust and demonstrates that stakeholder input has influence, increasing the likelihood of ongoing commitment throughout planning and execution.

Effective stakeholder engagement is an iterative activity: practitioners identify stakeholders, assess their expectations and influence, engage them appropriately, and monitor relationships as circumstances evolve. Seeking input from people who may not initially support a change is particularly valuable because their perspective can improve the strategy and help establish workable commitments. This collaborative approach supports ownership and durable alignment around intended outcomes. The Project Management Institute describes stakeholder engagement as working with stakeholders to address needs and expectations and foster appropriate involvement; see PMI's stakeholder management guidance and PMI's PMBOK Guide resources.

QUESTION NO: 8

Which of the following steps is included when conducting an end of project review?

A. Capturing lessons learned

B. Developing a mission statement

C. Holding a town hall meeting with employees

D. Developing a customer satisfaction survey

ANSWER: A

Explanation:

Capturing lessons learned is a core activity in an end-of-project review because project closure is not limited to confirming that deliverables are complete; it also preserves knowledge gained during delivery. The review records practical insights about what succeeded, what challenges arose, how risks and stakeholder needs were handled, and what practices should be retained or improved in future work. This information creates an organizational knowledge asset that can improve planning, governance, estimating, delivery methods, and decision-making on subsequent projects. Lessons should be documented clearly, supported by evidence where possible, and made accessible to the people and teams who can apply them. The process commonly includes input from the project team and relevant stakeholders so that the findings reflect operational, strategic, and customer-facing perspectives. This aligns with established project-management practice, which treats the transition or closure phase as an opportunity to evaluate outcomes and embed continuous improvement. PMI's standards resources describe the importance of tailoring project-management practices and using project knowledge to support value delivery; see PMI Standards. Further guidance on documenting and applying learning from projects is available from the Association for Project Management's lessons learned resource.

QUESTION NO: 9

Which of the following is a characteristic of core competencies?

A. Require significant investment

B. Are common across an industrial segment

C. Cannot be developed or changed

D. Form the basis for activities that create and build value

ANSWER: D

Explanation:

“Form the basis for activities that create and build value” is correct because core competencies are the integrated capabilities, knowledge, technologies, and processes that enable an organization to perform value-creating activities particularly well. They are not merely isolated skills; they combine resources and organizational learning in ways that support the organization’s strategic position and its ability to deliver benefits valued by customers. In strategy planning, identifying core competencies helps leaders decide which capabilities to protect, strengthen, apply to new opportunities, or use as a foundation for innovation. A genuine core competency therefore underpins multiple activities and can contribute to products, services, operational excellence, or customer outcomes that build organizational value over time. The foundational strategy work by Prahalad and Hamel describes core competencies as collective learning that enables an organization to coordinate diverse production skills and integrate multiple streams of technology. This makes them a practical basis for sustained value creation and strategic growth. See Harvard Business Review: The Core Competence of the Corporation and Investopedia: Core Competencies.

QUESTION NO: 10

Which of the following results is an indicator a leader is a strong motivator?

A. The results (outcomes) yet to be realized.

B. Followers' willingness to listen.

C. The number of followers undergoing self-development.

D. Followers' actions.

ANSWER: D

Explanation:

Followers' actions. is the most meaningful indicator that a leader is successfully motivating people. Motivation is not merely an internal feeling or an expressed intention; in an organizational setting, it is evidenced when people voluntarily apply effort, persist through obstacles, take initiative, collaborate, and direct their work toward shared objectives. These observable actions show that the leader has connected the work to a purpose that followers understand and are prepared to support. For strategy professionals, this matters because even a well-designed strategy produces value only when people across the organization translate priorities into coordinated execution. A leader who motivates effectively therefore creates commitment that is visible in behavior: people act on strategic priorities, maintain momentum, and contribute constructively to implementation. This aligns with the International Association for Strategy Professionals’ emphasis on strategy execution and with established leadership research connecting inspirational leadership to follower engagement and performance. See the International Association for Strategy Professionals and the CIPD overview of employee engagement for further context on the importance of engaged, goal-directed employee behavior.

QUESTION NO: 11

Risk management is BEST described as a process for

A. sourcing a complete set of risk options.

B. classifying types of risks.

C. evaluating the probability of risks.

D. identifying risks and mitigation strategies.

ANSWER: D

Explanation:

Risk management is BEST described as identifying risks and mitigation strategies because it is a continuous, decision-oriented process for dealing with uncertainty that could affect organizational objectives. It starts by establishing the context and identifying events or conditions that may create positive or negative effects. The organization then analyzes and evaluates those risks in terms of likelihood, consequence, and priority. Crucially, the process leads to risk treatment: selecting and implementing measures such as avoiding, reducing, transferring, accepting, or otherwise controlling risk. Mitigation strategies turn risk knowledge into practical action and help leaders protect strategic objectives, resources, performance, and resilience.

This description also reflects the strategic nature of risk management. Risk information must be monitored, communicated, reviewed, and incorporated into planning and governance so that treatments remain appropriate as conditions change. ISO 31000 describes risk management as coordinated activities to direct and control an organization regarding risk, with risk assessment and treatment forming central parts of its framework. The NIST Risk Management Framework likewise connects the identification and assessment of risk to the selection and implementation of controls. See ISO 31000 risk management guidance and NIST Risk Management Framework.

QUESTION NO: 12

Translating the organization-wide strategic plan down to business units, support units or departments, and then to teams or individuals is known as which of the following?

A. Gap analysis

B. Cascading

C. Flow charting

D. Process mapping

ANSWER: B

Explanation:

Cascading is the structured deployment of enterprise strategy through successive organizational levels. It starts with the organization-wide strategic plan and translates its strategic objectives, measures, targets, initiatives, and accountabilities into aligned plans for business units, functional or support departments, teams, and ultimately individual contributors. This makes strategy operational: people can identify how their own priorities, decisions, and work contribute to higher-level outcomes rather than viewing the strategic plan as a document owned only by senior leadership.

Effective cascading preserves line of sight between levels while allowing each area to define the specific actions and performance measures it can influence. It also supports consistent resource allocation, performance management, communication, and review of strategic progress. In Balanced Scorecard practice, cascading is used to align organizational units and employees with a common strategy by developing linked objectives and scorecards at lower levels. See the Balanced Scorecard Institute's overview of Balanced Scorecard basics and Kaplan and Norton's discussion of strategy-focused organizations in Harvard Business Review.

QUESTION NO: 13

Which of the following evaluates actual performance, compares actual performance to goals, and takes action on the differences?

A. Quality control

B. Quality design

C. Quality improvement

D. Quality planning

ANSWER: A

Explanation:

Quality control is the correct answer because it is the management process used to keep operational performance aligned with established quality goals. In Juran's quality-management framework, quality control consists of evaluating actual performance, comparing that performance with the applicable quality goals, and acting on the difference when performance does not meet the required level. This creates a feedback loop: relevant measures are collected during work, results are assessed against defined targets or standards, and corrective action is taken to restore or maintain conformance. The focus is therefore on controlling an existing process and addressing variation or deviations revealed by performance data. This is an essential operational discipline because goals alone do not ensure that products, services, or processes consistently achieve the intended results; performance must be measured and managed continuously. The American Society for Quality describes quality control as the techniques and activities used to fulfill quality requirements and maintain process or product conformance. Juran's quality-trilogy model similarly identifies quality control as the component that compares actual performance to goals and acts on the resulting differences. See ASQ's overview of quality assurance and quality control and the Juran Trilogy overview.

QUESTION NO: 14

A department has proposed a new initiative that appears attractive on its own merits. However, the organization has constrained funding and several existing initiatives already compete for the same technical specialists. Which factor should MOST influence the portfolio decision?

A. The seniority of the initiative's executive sponsor

B. The initiative's relative contribution to strategic objectives, considering capacity and dependencies

C. The completeness of the initiative's individual business case

D. The availability of unspent funds in the proposing department

ANSWER: B

Explanation:

The initiative's relative contribution to strategic objectives, considering capacity and dependencies is correct because portfolio planning is concerned with selecting and governing the combined set of investments that creates the greatest strategic value. A sound decision considers strategic alignment together with resource capacity, interdependencies, risk, timing, and the opportunity cost of not funding other work.

The initiative's sponsor may be influential, but sponsorship alone is not a portfolio criterion. A detailed business case is necessary but does not establish relative priority across the portfolio. Starting work because funds remain in one departmental budget can undermine enterprise-wide resource allocation and strategic coordination.

QUESTION NO: 15

According to the concept of Blue Ocean Strategy, blue oceans represent

A. highly competitive markets

B. presently defined market space

C. untapped market space

D. regulated markets

ANSWER: C

Explanation:

untapped market space is correct because Blue Ocean Strategy describes the pursuit and creation of market space that is not yet contested by established competitors. Rather than competing for existing demand, an organization identifies opportunities to create new demand through value innovation: simultaneously increasing buyer value while reducing or eliminating factors that add cost without contributing meaningful value. This strategic approach makes direct competition less relevant because the organization changes the market boundaries or creates a new category instead of accepting the prevailing rules of an existing industry. Kim and Mauborgne use the ocean metaphor to distinguish these opportunities from crowded, fiercely contested industry spaces. A blue ocean may emerge through rethinking customer groups, complementary offerings, functional versus emotional appeal, or the timing of trends. In strategy planning, the concept helps leaders focus on differentiated growth opportunities, a compelling value proposition, and a coherent path to unlock demand that existing market participants have not served. The foundational concept and its value-innovation framework are described by Blue Ocean Strategy and in the Blue Ocean Strategy book overview.

QUESTION NO: 16

Which of the following communication methods is likely to be MOST effective in obtaining useful employee feedback about the strategic management approach?

A. Dialogue between leaders and employees in small group discussions

B. A customized, well-scripted slide show presentation given by a senior leader

C. An e-mail message from the senior leader to employees

D. An article written by a senior leader published in the organization's newsletter

ANSWER: A

Explanation:

Dialogue between leaders and employees in small group discussions is the most effective method because useful feedback depends on genuine two-way communication, active listening, and the ability to explore issues as they emerge. In a small-group setting, employees can ask questions, explain practical implications of the strategic approach, raise concerns, and contribute ideas based on their direct experience. Leaders can clarify intent immediately, probe for underlying causes, and confirm their understanding, producing feedback that is more specific and actionable for strategic planning and implementation.

Small groups also make participation more manageable than broad, one-way communications and can create a setting in which employees feel heard and included. This supports engagement with the strategy while giving decision-makers qualitative insight into readiness, barriers, stakeholder needs, and opportunities for refinement. Effective change and strategy communication therefore requires dialogue rather than merely distributing information. Kotter emphasizes the importance of engaging people and enabling broad-based action during change, while CIPD guidance similarly identifies employee voice as a meaningful mechanism for involving employees in organizational decisions. See Kotter's 8-Step Process and CIPD: Employee Voice.

QUESTION NO: 17

Which of the following is the BEST method for facilitation among geographically dispersed team members?

A. Using a slide show presentation

B. Making a phone call

C. Having team members meet each other previously

D. Using a combination of email, telephone, and online meetings

ANSWER: D

Explanation:

Using a combination of email, telephone, and online meetings is the best method because effective facilitation for a geographically dispersed team depends on deliberate, ongoing communication through channels suited to different purposes. Email provides a durable, asynchronous record for updates, decisions, action items, and materials that members can review across time zones. Telephone or voice conversations enable quick clarification and convey tone, which supports rapport and reduces ambiguity. Online meetings add real-time interaction, visual collaboration, and opportunities for the facilitator to guide discussion, check understanding, manage participation, and build alignment. Used together, these methods provide both flexibility and communication richness, allowing the team to remain connected while accommodating location, schedules, and individual working preferences. The facilitator should establish clear communication norms, select the channel appropriate to the message's urgency and complexity, document decisions, and ensure all participants have equitable opportunities to contribute. This multimodal approach supports the trust, shared understanding, coordination, and engagement that are essential to virtual-team performance. Guidance on virtual teams and remote collaboration likewise emphasizes intentionally combining communication practices and collaboration technologies rather than depending on one medium alone. See PMI's guidance on virtual teams and Atlassian's working-agreements guidance.