

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN

EXAMINERS' COMMENTS

SUBJECT	SESSION
Business Management and Behavioural Studies	Certificate in Accounting and Finance – Autumn 2015

General:

The overall performance was marginally lower than the previous two attempts. Besides selective studies, the main reason for the below average performances in many questions was the candidates' failure to read the questions carefully. It must be understood that the key requirement should be carefully studied before starting the answer. This is all the more important in scenario based questions. The candidates are advised to read the question-wise comments carefully to understand how various errors were made because of not understanding the exact requirements.

Question 1(a)

The overall performance in this question on motivational needs envisaged by David McClelland was satisfactory. However, some candidates did not pay attention to the question and identified/discussed in detail Maslow's theory of motivation and hierarchy of needs. Further, some candidates identified Herzberg's two factor theory and explained in detail the hygienic and the motivation factors. Many students identified the needs correctly as N-Pow, N-Affil and N-ach, but in the explanation they missed some important points like individuals with N-Affil are good team players and N-Pow persons are reluctant to accept ideas expressed by others.

Question 1(b)

This part of the question pertained to stress factors faced by workers of coal mines. Though it was a simple question, the performance was below average as most of the candidates explained triggers of job stress in general without considering the specific circumstances of the coal mines. They wasted time and effort in discussing high rate of inflation, shrinking economy, impact of political change, law and order situation and technological changes. Similarly, while discussing work related factors, they emphasized on role conflict and role ambiguity which were totally irrelevant.

Question 2(a)

This question required students to describe different strategic approaches which enable companies to earn superior returns on their investment as compared to their competitors. Overall performance in this question was average. Majority of the students were clear about the concept of Cost leadership and Product differentiation but very few mentioned Niche marketing and strategy of Market penetration. Many candidates just mentioned the headings but were unable to provide appropriate explanation. Many candidates did not grasp the

essence of the question and discussed modifications in the organizational structure to gain competitive edge like outsourcing, delayering and downsizing. Some replies comprised of Michael Porter's Five Forces model for analyzing competitiveness in an industry which was entirely irrelevant.

Question 2(b)

In this question the candidates were required to identify five barriers which create impediments to efficient time management. The overall performance was below average as a large number of replies revolved around the behavior of employees like habit of late coming, absence of arrangements for marking attendance, lack of disciplinary measures for late comers, remote location as well as unavailability of transport and inexperienced/inefficient management of the organization which were not relevant. Relevant points were procrastination, attending/conducting un-necessary meetings, inability to delegate work and prioritize tasks, etc.

Question 3(a)

This question consisted of four situations. In each case, the candidates were required to identify whether the persons referred to in the situation represented a group or a team and to justify their choices with two reasons. Quite a large number of candidates correctly identified whether it was a group or a team but failed to offer proper explanations/justification for their choices.

Question 3(b)

Performance in this question was good as majority of the students had a clear idea of the concept of integrative and distributive bargaining. However, about 9% of the students did not attempt this question.

Question 4(a)

Performance in this question was poor. Very few students had correct knowledge of the concept of Organic organizational structure. Many candidates intermingled features of mechanistic, formal and informal organization in their replies. A few candidates did not bother to understand the question and offered features of the bureaucratic organization. Some students who had absolutely no idea of the concept, defined it as the organization which produces organic and environment friendly products.

Question 4(b)

In this part of the question candidates were asked to identify the different measures that the companies may take to make a positive contribution towards the improvement of the environment. The overall performance was satisfactory. However, a substantial number of candidates were unable to comprehend the basic requirements of the question. Many such students analyzed and explained unnecessarily the environmental influences and their effects upon the organization on the lines of PEST method, which was not appropriate in this context. Many candidates also discussed CSR activities which were also not relevant.

Question 5

The question required the candidates to match the given principles/concepts with their appropriate scenarios. Majority of the candidates were able to gain good marks. Scenarios number three, five and eight proved somewhat difficult.

Question 6(a)

In this part of the question, the candidates were required to discuss briefly the characteristics of ideal bureaucracy as stated by Max Weber. A large number of candidates performed well and offered the right characteristics. However, many candidates wasted time and effort in discussing types of legitimate authority, viz. traditional, rational-legal and charismatic, which were not relevant in this context.

Question 6(b)

In this brief scenario-based question candidates were required to state key organizational and management features of a retail outlet which was a sole proprietorship. Though the question was simple, the overall performance was below average. Most of the candidates did not note the key issue i.e. organizational and management features. They discussed features such as convenient location of the entity, ease of purchases, variety of home appliances and reasonable prices which were totally irrelevant. Some candidates picked up one or two correct points and repeated them with variation in emphasis and usage of words. Such an approach does not give any advantage and results in wastage of time because marks are allowed for distinct points only.

Question 7(a)

This part required the candidates to specify the benefits of adopting MBO, for the organization and the employees. The benefits accruing to the employees were better explained as compared to the benefits accruing to the organization. Many candidates did not distinguish between the benefits for organization and employees and lost marks.

Question 7(b)

Constructive role of conflicts is a frequently tested topic and the students scored good marks in this question. However, quite a few candidates did not pay attention to the requirement of the question and described the negative effects of conflict or stated measures to resolve the conflict.

Question 8

Overall performance in this question was very poor. The candidates went on explaining how technological changes affect entities. Some of them only discussed the impact a change would have on the employees. Some replies un-necessarily focused on the management skills in a change-adept entity. Only a small number of candidates offered reasonably good answers.

Question 9

The performance of the candidates in this question was good. Definition, examples and advantages of Primary and Secondary storage were mostly correct. However, candidates failed to grasp the concept of off line storage and confused it with secondary storage. It was a simple definition that any storage that is not currently online, live or connected to the computer, is called off-line storage. Candidates wrote paras on it but did not mention the punch line i.e. 'not currently online'.

Question 10(a)

This part requiring explanation of the term 'system architecture' was mostly well attempted.

Question 10(b)

This part required definition of integrated IT system and their advantages and disadvantages. Most of the students provided the definition and disadvantages correctly. However, they were mostly unable to identify the advantages.

THE END