

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF PAKISTAN	
EXAMINERS' COMMENTS	
SUBJECT Business Management and Behavioural Studies	SESSION Certificate in Accounting and Finance – Autumn 2018

General:

The overall performance in this attempt was good and showed considerable improvement as passing ratio rose to 52% as compared to 41% in the previous attempt. The students who could not pass, suffered mostly because they failed to understand the requirement of the question correctly and gave irrelevant answers. It must be noted that marks could not be secured by providing information which has not been asked for, no matter how good the presentation may be. It is always advisable to spend a minute or two on understanding the situation on which the question is based and the exact requirement of the question. Therefore, when a question is based on a particular theory or concept, answer based on general views is most likely to result in an incorrect answer. Another common issue is that while explaining a particular term, the same term or a part thereof is used in the explanation which in most of the cases is not acceptable.

Question-wise comments:

Question 1

This question was based on a scenario involving an entity engaged in the food business providing take away and delivery services. The overall performance was above average as 49% of the candidates secured passing marks. Performance in each part is discussed below.

Question 1(a)

Most of the students knew what SWOT stands for and were able to prepare the SWOT analysis. However, some weaknesses were identified which are as follows:

- In the weakness part, many students did not realize that Mr. and Mrs. Khan being occupied in routine activities could not concentrate on other key opportunities such as dine-in services.
- In the opportunities part many students missed a very obvious point i.e. the demand for healthy food was growing.

Further, many students wasted considerable time in explaining the term SWOT and the terms strengths, weaknesses, opportunities and threats.

Question 1(b)

In this question, the candidates were required to identify the activities forming part of 'Primary value chain' as suggested by Porter and give two examples related to each such activity with reference to the given scenario.

Most of the students knew the 5 activities forming part of value chain but could not give examples keeping in mind the situation mentioned in the question. Most of them gave examples related to manufacturing enterprises probably because they had memorized these from the books.

Question 2

This was the best attempted question of the paper and 76% students were able to score passing marks. The question consisted of two unrelated parts and the performance in each part is discussed below:

Question 2(a)

The requirement in this part was to differentiate between formal and informal groups in terms of their formation, purpose, decision making and termination of membership. Though the performance was good, it was noted that some students gave the same differences under the headings 'Formation' & 'Purpose' for both type of groups. There is a clear distinction between the two terms. Formation deals with how the group is formed or by whom whereas 'Purpose' means the activity for which the group is formed. Another common error was that the students could not identify that termination in formal groups may also be due to resignation of the employee or due to completion of task.

Question 2(b)

Performance in this part of the question was good. The only exceptions were those students who had performed poorly in the rest of the questions.

Question 3

This question consisted of two independent parts. The overall performance was poor as only 27% of the candidates secured passing marks. Performance in each part is discussed below.

Question 3(a)

In this part, the candidates were required to suggest and briefly discuss the leadership style that is likely to be most effective where subordinates have high level of competence with variable level of commitment. Most of the students correctly suggested the leadership style.

However, in the description part, the students generally covered delegation of day to day decision making to the subordinates but very few students discussed how to deal with variable commitment.

Question 3(b)

This particular question specifically required the answer to be based on John Adair's action-centered leadership model. However, most of the students gave answers keeping in mind the general leadership qualities and therefore scored zero or low marks.

Question 4

This question was about a language learning institute which was considering to discontinue classroom teaching and to start online learning programs. The overall performance was above average as 54% of the candidates secured passing marks. The requirement was divided into two parts. Performance in each part is discussed below.

Question 4(a)

Most of the students displayed command over this part and correctly mentioned the reasons because of which the employees of TL may resist the change mentioned in the scenario. However, many students mentioned the same points in using different words, probably to reach the requirement of four reasons. For instance employees fear losing their jobs and they fear redundancy.

Question 4(b)

Stages of the change process suggested by Kurt Lewin were to be applied on this case. Performance remained average. Many students mistakenly suggested that restraining forces should be used by the management. Some students used improper heads or wrote the incorrect sequence and could not secure any mark.

Question 5

This was the best attempted question of the paper and 70% of the students secured passing marks. The question consisted of two parts. Performance in each part is discussed below.

Question 5(a)

The requirement was to discuss Mintzberg's building blocks/elements and the type of organisation in which each element is expected to play a dominant role. Majority of the students had grasp on this topic and they gave answers with proper heads and explanations. However, many students gave diagram which was not required and considerable time could have been saved and allocated to the other questions. A common error was that the element 'Technostructure' was termed as 'Technical'.

Question 5(b)

In this part, the candidates were required to give examples of posts in a university, falling under each building block. The answers to this part requiring application of the concept to the real-life scenario were much weaker as compared to part (a). Most of the students were unable to give appropriate examples. Dean was mentioned under strategic apex which is wrong. Dean and Principal are the managers who actually run the university whereas board of directors or other such body falls under the strategic apex. Examples under technocrats were also incorrect.

Question 6

This IT based question consisted of two parts. The overall performance was below average as only 33% of the candidates secured passing marks. Performance in each part is discussed below.

Question 6(a)

In this part the candidates were asked to discuss how management may use MIS for planning, controlling and performance management.

Students displayed lack of knowledge on the topic. Hardly few students were able to mention all the three functions correctly. In the explanation, many students used the same terminology as the heading to explain it. For instance, performance management was described as “to manage the performance of the employees”.

Question 6(b)

This question required differences between Batch processing and Real time processing. These concepts have widespread application and therefore students were expected to know it thoroughly. Accordingly the performance was above average. However, the most important difference i.e. regarding timely updating of information was quite often missed.

Question 7

This question was also IT based and consisted of two parts. The overall performance was average as 53% of the candidates secured passing marks. Performance in each part is discussed below.

Question 7(a)

The definition of Integrated system and its advantages were required in this question. Performance in this question was average. Most of the students were unable to define the term ‘Integrated Systems’ properly mainly because of use of inappropriate terminology. Mostly the terms “function” or “computer programs” were used instead of modules. However, it was observed that even if the students did not define the term properly they still managed to give at least two advantages of integrated systems.

Question 7(b)

Very good performance was witnessed in this part of the question as most of the students had knowledge of the modules that an integrated finance system links.

Question 8

This was the most poorly attempted question of the paper as 60% of the students either left it unanswered or could not score any mark; whereas only 17% of the candidates secured passing marks. From the past experience, it could easily be inferred that this was due to selective studies as the topic of operation research had not been tested for quite some time. Otherwise the question was not difficult as many students performed really well and scored full marks.

Many students wrote Simulation in part (a) and Network Analysis in part (b) whereas the inverse was true. Many students used a strange logic and specified more than one techniques in each case and could not secure any mark. In part (b) most of the students identified 'mathematical modeling' which was incorrect.

Question 9

The overall performance in this question was good as 63% of the candidates secured passing marks. The question consisted of two parts. Performance in each part is discussed below.

Question 9(a)

This question was quite straight forward as it could have been answered on the basis of simple common sense. Accordingly, most of the students performed well as they were able to correctly mention the positive impacts of high job satisfaction, for the organisation and the customers.

Question 9(b)

This part of the question required brief explanation of the components of attitude with one example of each. The performance remained average. Many students did write the three components but mixed up the explanation and examples.

Question 10

The overall performance in this question was average as 48% of the candidates secured passing marks. The question consisted of two parts. Performance in each part is discussed below.

Question 10(a)

In this part of the question, the candidates were required to describe the term “self-efficacy” and discuss four attributes of a person with strong self-efficacy. Many students wrote that it’s the measure of the ability of a person to perform well. This is a common misconception under this concept. It must be understood that it’s not the actual ability to perform; it is what the person believes to be true about himself.

The attributes of a person having self-efficacy were given correctly which is quite heartening as this is an important concept.

Question 10(b)

In this part of the question the candidates were required to discuss the characteristics of individuals who are motivated by each of the three needs suggested by McClelland and to identify the need which would most likely influence the person to become a good leader.

Although most of the students correctly identified the three needs suggested by McClelland, many among them were unable to give characteristics under each heading. Like in other questions, students who merely repeated the headings in the explanation were not awarded any marks.

(THE END)