ASSOCIATION OF ACCOUNTING TECHNICIANS OF SRI LANKA



Examiner's Report LEVEL II EXAMINATION - JULY 2023 (204) BUSINESS MANAGEMENT

SECTION A

Question No. 01

This question consists of 15 sub-sections. Total marks for the question number one is 25.

For sub question numberes **1.1** to **1.5**, the most correct answer to be selected and the number assigned to the selected answer to be written in the answer booklet. Majority of the candidates had selected the correct answers to this question, and it was observed that a large number of them did not follow the relevant instructions. Although the number of the selected questions should be mentioned in the answer booklet, there were cases where some candidates wrote the answers on the question paper itself and attached the question paper to the answer sheet. Some other limited number of candidates have to write the number corresponding to the answer on the answer sheet, there were cases that answers related to the question number were written on the answer sheet. It was also concluded that such candidates understood the given instructions and selected.

To fill in the blanks of question number **1.6** to **1.10**, the correct answer was to be chosen from the two answers given in brackets and the selected answer was to be written in the answer booklet along with the question number. Although the majority of candidates had submitted successful answers for this, there were cases where some candidates were unable to score due to lack of knowledge or lack of preparation prior to the exam.

Candidates should understand the management while answering such questions, which were prepared to cover many parts of the syllabus, while understanding the instructions given when writing the answers.

Short answers to questions numbered **1.11** to **1.15** were to be written on the answer sheet along with question numbers.

- **1.11** The question was requested to explain briefly what is meant by a "brand". Majority of the candidates had submitted answers for this at a very weak level and some other candidates had avoided writing the answers. Some others had written about business names, related to businesses but not on product brands. It was revealed that the performance for this part was very poor.
- **1.12** It was asked to mention two techniques used for job design of an organization. Although it was revealed that no successful answers were provided for this as a whole, some candidates had given the answers very successfully and earned the allocated marks.

- **1.13** The question asked to state two key elements of a supply chain. Although most of the candidates had successfully mentioned two relevant points and got marks, there were cases where some candidates missed in writing the answers.
- 1.14 It was asked to list two informational roles required for a manager as per Henry Minstberg. Although, majority of the candidates had provided the correct answers and secured the marks, some candidates had given irrelevant points and some had omitted to write the answers.
- **1.15** The question was asked to explain what is meant by "Marketing Management". Most of the candidates had avoided writing answers to this part and some had written answers but had not given clear answers.

Therefore, overall performance for this section was at a poor level.

SECTION B

Question No. 02

The question was aimed on testing the knowledge of the candidates regarding the Hierarchy of Needs and Motivation introduced by Abraham Maslow. The question consisted of 2 parts called **(a)** and **(b)** and it carries 10 marks.

(a) This question was asked to explain Hierarchy of Needs introduced by Abraham Maslow's with suitable examples for each level of needs. Only few candidates had successfully submitted the correct answers and obtained the allocated marks. Furthermore, it was observed that most of the candidates identified the levels of need but failed to provide appropriate examples. Also, some candidates had indicated high, medium and low and primary, secondary and tertiary as wrong answer levels of need. It was also observed that some candidates had failed to provide examples for security requirements. Also, there were cases where the answers were not presented as facts and the details were presented at length.

Overall performance for this question was at the average level.

(b) In this section, the question was asked to explain two reasons why motivation is an important factor for any organization. Majority of the candidates had answered successfully and got the relevant marks. Furthermore, there were cases where some candidates had presented the ways of motivation, advantages of motivation etc. as the answer.

Overall performance for this question was at the high level.

Question No. 03

This question was asked to understand the importance of rational decision-making and the ability to see the future for a manager's career development.

(a) This question was asked to state four barriers faced by managers when adopting to rational decision making.

Majority of the candidates had successfully answered this question and secured the allocated marks. There were cases where some candidates had written irrelevant answers such as barriers a problem, choosing the best alternative solution among many alternative solutions as barriers faced by managers in decision making. There were cases where some candidates had presented unnecessarily points in detail without paying attention to state the barriers.

(b) This question was asked to explain the four leadership excellency factors which determine the successfulness of a modern leader. Majority of the candidates mentioned the characteristics of a leader and did not provide explanations. Candidates' performance in explaining how to acquire the characteristics of a successful leader as asked by the question was low.

Overall, it can be observed that the performance of this question was at a satisfactory level.

Question No. 04

The question consisted of three parts.

- (a) It was asked to mention 3 contingency factors affecting for the designing of an organizational structure. It was revealed that this could be answered very easily but overall the answers presented were at a very poor level.
- (b) It was asked to state an example each for the given pre-planning activities in an operational management process of a hotel. This is a very easy question. It can be stated that, this is a good opportunity to earn marks easily if the candidates had understood the requirement of the question by using their practical knowledge.
 - (i) Supply Chain Management Food Supply
 - (ii) Capacity planning Room capacity
 - (iii) Layout Planning Events related planning
 - (iv) Quality management Quality of food and services

Submission of answers by the candidates for this part was very low. But, it was revealed that very few candidates presented the facts in a proper manner and obtained the allocated marks.

(c) It was asked to state three advantages of using "Blockchain Technology" into business operations. The answers to this was at a very poor level. There were many instances where most of the candidates had avoided in writing the answers to the question.

Question No. 05

This question tested employee motivation and communication.

- (a) The question was asked to state two purposes for which the downward communication is required for an business organization. Although the candidates had provided answers for this, it was revealed that providing correct answers was at a very poor level. Many of the answers submitted were not at a scoring level due to candidates' understanding of the question or lack of understanding. A very limited number of candidates provided correct answers, but the overall performance level was low.
- (b) It was asked to explain the steps (process) in the performance appraisal. Majority of candidates did not seem to understand the question. Instead of the steps of the performance, various irrelevant answers such as steps to solve a problem, the steps to hire employees, were provided. There were cases where majority of the candidates had not answered this part. Performance was very poor.
- (c) In this question, the question was asked to state two possible behavioral implications of employees due to the introduction of the finger print machine. This is a very practical question. Lack of practical knowledge can be seen. Although some candidates mentioned two factors affecting this and earned marks. It was revealed that most of the candidates answers were at a poor level.

Overall, it was revealed that a very low level of performance was shown for this question.

Question No. 06

The question was to examine strategic management part of the syllabus. The question consists of three parts.

- (a) The question was asked to explain two generic competitive strategies used to position in the market as per Michael Porter. It was revealed that answers were at a poor level. If candidates had mentioned cost leadership and differentiation and explained to some extent, there would have been a chance to earn full marks. Candidates had not understand the question properly.
- (b) It was asked to explain two reasons as to why employees generally resist new initiatives in an organization. Although it was a very practical and easily scored question, majority of the candidates did not successfully submit the answers. It was also seen in some of the answers that employee change jobs expecting certain benefits.
- (c) It was asked to state two types of strategic options as per Ansoff' Matrix. For this, which is a targeted question, the candidates' answers were not at a successful level. Such questions could have been answered successfully if the subject content had been studied well before the exam. A large number of candidates had answered successfully and earned marks. Most of the candidates' answers were at the poor level.

SECTION C

Question No. 07

A compulsory case study question and allocated 25 marks. The question has been set to test how theoretical matters would be related to the given scenario by the candidates. The question consisted of 5 parts namely (a), (b), (c), (d) and (e).

(a) This question was asked to identify four leadership traits that new executive team displayed to change the company's current setup. According to the contents of the case study, most of the candidates had successfully answered and obtained the allocated four marks.

Having a clear vision, transparency, commitment, and open communication skills were provided as answers by many candidates, and in addition, employee motivation, intelligence, reliability, and the ability to direct employees to work were provided as answers. This question can be defined as an easy question to understand, answer and earn marks.

- (b) This question was asked to explain three reasons why leadership is important in implemention of the strategic plan. For this, the candidates had submitted answers such as achieving business objectives, innovation, sustainable development and some candidates had also submitted answers such as to fulfill the objectives of the organization, to implement the strategic plan, to avoid the shortcomings and correct them during the implementation of the plans. This section too could have been identified as an easy to answer, easy to understand and easy to score marks. It was concluded that the facts were presented very clearly and the majority had obtained full marks. Performance level was high.
- (c) The question was asked to explain the importance of targeting in marketing of **XYZ Ltd.** The importance of targeting is to select the most attractive and profitable segment of customers from the entire market with different characteristics. The answer should include cost reduction, sales growth, customer satisfaction and a clear understanding of their market.

Here, the majority of candidates have understood market targeting. Because of this, the candidates had introduced the target customer segment and the explanations regarding the importance were minimal. Most of the candidates could earn only half of the total marks. It is a very easy question for candidates who have studied well, although many candidates did not provide sufficient answers to earn full marks.

(d) The question was asked to explain how the strategic plan helps to achieve the goals of the XYZLtd.

While answering this section, it was observed that many candidates did not understand the question properly. It was confirmed that they did not understand the importance of strategic plan. Performance was very poor.

(e) It was asked to explain how a reward program helps to motivate employees of an organization.

The candidates had given answers regarding the rewards that can be provided by the organization for employees motivation. However, candidates had not understood that employees can be motivated through incentives, welfare facilities and other benefits, etc.

<u>Common factors to be considered in order to improve the level of understanding and</u> <u>competency level of the candidates:</u>

- (1) Go through the syllabus/study pack thoroughly.
- (2) Upon receiving the question paper, read instructions carefully (Extra time allocated for this purpose).
- (3) Candidates should read the question several times and understand what needs to explain. When a direct answer is expected answers should be precise. Writing unnecessary explanations and details should be avoided.
- (4) Answers should be in one language only. This is the language to be used when applying to the examination and answers to each question number should begin in a new page of the answer booklet.
- (5) Manage the time efficiently at the examination.
- (6) Before handing over the answer booklet to check twice that all question numbers and the Index Number is written correctly.
- (7) The "Action Verb Check List" is included at the end of the question paper. Each question other than OTQs; begin with an Action Verb. Candidates should write the answers based on the definition given in that list.
- (8) Ensure that the handwriting is at a legible level and question numbers are properly stated for each of the answers.
- (9) Reading of Self-Study Text published by AAT, Articles and Magazines, etc. is desirable.
- (10) Study and practice answering past question papers and Pilot Papers in order to improve knowledge.
- (11) Face the examination positively with a firm determination of passing it.

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