

## **EXAMINER'S REPORT**

### **AA1 EXAMINATION - JANUARY 2018**

#### **(AA15) BUSINESS OPERATIONS AND MANAGEMENT**

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The aim of the question paper “Business Operations and Management” of AA1 Level was to check the overall knowledge and understanding of the candidates on the subject area as almost all the areas of the subject has been covered. The main purpose of the Examiners’ Report is to draw attention towards the low performed areas which will be helpful to improve candidates’ performance in the future examinations.

It appeared that majority of the candidates’ performance was satisfactory. On the other hand, it was observed that some of the candidates had failed to understand and answer the questions as expected, because of the following shortcomings:

#### **Section A**

#### **Question No. 01**

By this section, overall areas of the subject of Business Operations Management have been covered and almost all the candidates have attempted for this question. 40 marks out of 100 have been allocated and many candidates have obtained high marks. It is important to note that obtaining high marks in Section A could be achieved easily by having a thorough understanding of the overall subject area and it will facilitate in reaching the pass mark without any difficulty. Most of the candidates had not answered successfully for the questions **1.16**, **1.17** and **1.20**. The observations regarding the questions are as follows:

- 1.16** Majority of the candidates had not identified the meaning of office automation system and transaction processing system. They had failed to select the correct answer. It is vital to develop clear and conclusive knowledge regarding the types of information systems in Information Management.
- 1.17** As most of the candidates had not identified the meaning of explicit knowledge and tacit knowledge, they have failed to choose the correct answer. Candidates should note that Tacit knowledge is personal knowledge embedded in individuals based on their experiences.
- 1.20** It was expected to measure the correct understanding about characteristics of an effective market segment. Most of the candidates had not understood and they had chosen the incorrect answer. Candidates should note that a characteristic of an effective market segment is differentiable.

Therefore candidates should improve their knowledge on fundamental concepts of Business Operations and Management as mentioned in the study pack. Except above questions most of the candidates have answered well. Overall performance of question number 01 was satisfactory.

## Section B

This section consisted 04 compulsory questions to answer and each question carried 10 marks.

### **Question No. 02**

The question part (a) was based on the subject of public and private limited companies and Part (b) was based on communication.

#### **Part (a)**

It was required to state four (04) differences between private limited companies and public limited companies. Most of the candidates had answered to Part (a) successfully and obtained high marks. Some of the candidates who had failed to answer the question successfully had written the differences between companies and partnerships. Some have stated the characteristics of private limited companies and public limited companies separately without focusing on the differences.

#### **Part (b)**

It was required to state four (04) reasons for importance of effective communication to the companies from part (i) and two (02) internal communication tools. The question was fairly easy and majority had answered satisfactorily and most of those who attempted had gained full marks due to the practical knowledge about communication as a supporting service to the business organizations. Some candidates have written detailed explanations about the reasons for importance of effective communication to the companies although it was expected to "State" the reasons by the question. Therefore it is very important to understand what is expected from the question and it will also help for the time management in the examination.

### **Question No. 03**

It was expected to test the candidates' knowledge about services and inventory management in a business organization.

#### **Part - A**

It was required to state four (04) characteristics of services. A considerable number of candidates have answered well for this part and obtained full marks for this part. A handful of candidates have erroneously written characteristics of products also as characteristics of services.

#### **Part - B**

It was required to explain the importance of Inventory Management for an organization. Most of the candidates have not understood the importance of inventory management and instead of the importance of inventory management; they have explained techniques of inventory management. Very few of them had given the correct answer. This proves that candidates should strengthen their knowledge regarding inventory management for an organization.

## **Question No. 04**

Part (a) of this question was based on reward management of an organization and part (b) was based on the grievance handling process. Majority of the candidates have not answered for this question to the point. The candidates' performance for this question was moderate.

### **Part (a)**

It was required to state two (02) internal factors and external factors that determine the rewards received by an employee. Most of the candidates have not understood the factors that determine the rewards received by the employees. It was observed that a considerable number of the candidates have stated internal and external environmental factors instead of internal and external factors that determine the rewards.

### **Part (b)**

This part was based on steps in Grievance Handling Process. A considerable number of candidates have not explained the steps involved in a Grievance Handling Process and some of them have explained only few steps or mixed up the steps in the process. Hence, this results in most candidates getting lower marks for this part. Most of them have given vague answers to this part with their general knowledge. Therefore the candidates should acquire sound knowledge referring to study packs.

## **Question No. 05**

It was expected to test the knowledge of the candidates regarding role of marketing in business operations. Majority of the candidates have obtained high marks out of 10. Overall performance to this question was satisfactory.

### **Part (a)**

It was required to explain the 4p's of marketing mix. A considerable number of candidates have just stated the 4'p's of marketing mix for this question but they have not explained the same.

### **Part (b)**

It was required to state two (02) benefits of using marketing in not – for- profit organizations. Majority of the candidates have not answered properly and have obtained low marks for this question due to failure in identifying the term “Not-for-Profit Organization”. Many candidates have stated benefits of using marketing for an organization generally.

## Section C

This section consisted of 01 compulsory question for 20 marks.

### **Question No. 06**

This was a case-study based question regarding **Fashion Garments (Pvt.) Ltd.** and it was expected to examine the knowledge of Business Environment, Marketing Management and Human Resources Management. Most of the candidates have attempted this question and the performance for this question was at satisfactory level.

#### **Part (a)**

Majority of the candidates had identified opportunities and threats applicable for **Fashion Garment (Pvt.) Ltd.** and got high marks. But some candidates have just written the opportunities and threats which could be faced by a business organization in general context. In answering this type of question, candidates should link the answers with the given scenario.

#### **Part (b)**

It was expected to test the knowledge of the PEST analysis in the **Fashion Garments (Pvt) Ltd.'s** environment. Most of the candidates have not answered to this part satisfactorily. Some of the candidates have explained PEST analysis ignoring given scenario. The candidates' ability to apply the management concepts to practical situations was expected to test through this type of questions. Accordingly, it was necessary to read the question with proper understanding and applying the theoretical knowledge; practically, to the given questions.

#### **Part (c)**

The question tested the knowledge about the steps that should be used to strengthen the process of performance appraisals. A considerable number of candidates have obtained high marks by answering to this question. Some candidates have mixed up the sequence of the process of performance appraisals.

#### **Part (d)**

This part was based on the Product Positioning. Certain candidates have explained why product positioning is important to target the customers in general context without linking it to the given scenario of **Fashion Garments (Pvt.) Ltd.** Several candidates have written irrelevant answers without understanding what is meant by "Product Positioning." Candidates should focus on the theoretical and practical aspects of product positioning and other related concepts in marketing with relation to business operations.

If the candidates have practiced similar questions in the past papers they could have easily obtained high marks for these types of scenario based questions.

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**General points to be considered in developing the level of understanding of candidates:**

1. When you get the question paper, read the instructions carefully given to candidates. Do not write answers in the question paper itself.
2. Get the maximum use of **Self-Study Text** published by AAT Sri Lanka because it is the best guideline covering the entire syllabus.
3. Read the question carefully several times and answer only what is asked in the question. Do not write unnecessary explanations and details, when a direct and an accurate answer is expected from the question.
4. When you answer, time management is very important.
5. Action verb Check List with definitions is attached to the question paper itself and each question will begin with an action verb excluding Objective Test Questions (OTQs). Candidates should answer the questions based on the definition of the verb given in the Action Verb Check List.
6. Before handing over the answer script, check whether the question numbers and your index number have been written correctly.
7. Do not write answers in the question paper itself and forward with the answer script.
8. By answering past question papers, you can improve the subject knowledge as well as the ability to write answers well.
9. Make use of recently published magazines, hand books, newspapers and text books to update the knowledge.
10. Never try to give up questions as this habit may lead to achieve low marks.
11. Face the examination with a good preparation and with the utmost hope of passing the examination.

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