ASSOCIATION OF ACCOUNTING TECHNICIANS OF SRI LANKA

EXAMINER'S REPORT

AA1 EXAMINATION - JANUARY 2019

(AA15) BUSINESS OPERATIONS AND MANAGEMENT

The objective of this question paper was testing of overall knowledge of all the sections of the subject. "Business Operations and Management" practical situation is also apparent. The main objective of this Examiners' Report is paying attention to asses in which performance had been at a lower level, and help candidates to improve their future performance.

Except a very limited number, candidates had been able to answer well at this examination. A few weaknesses generally observed from the answers are set out below:

Section A

Question No. 01

By this section, entire subject of Business Operations Management have been covered and almost all the candidates have attempted the question. 40 marks out of 100 have been allocated and considerable number of candidates had obtained between 20-30 marks. Most of the candidates had not answered successfully the question **1.09**, **1.11** and **1.19**. The observations regarding the questions are as follows:

- **1.09** Majority of candidates were not aware of the barriers to new entrance to the industry. Most of the candidates had explained "Product Differentiation" instead of the correct answer.
- **1.11** As most of the candidates had not identified the general use of Office Automation System in an Organization, they had not marked the correct answer from the given choices to this particular question.
- **1.19** Most of the candidates have not understood the primary activity of Porter's Value Chain. Therefore, they have selected a wrong answer.

The candidates should improve their knowledge on fundamental concepts of Business Operations and Management as mentioned in the self-study pack. Except for above specified questions, most of the candidates have answered well.

Section B

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

Question No. 02

The question was based on the Business Organizations and Macro Environmental Variables on the Business Organization.

Part (a)

Tested the knowledge on PEST analysis. Most of the candidates had answered **Part (a)** successfully and obtained between 3-4 marks out of 6. Those who had failed to answer the question, had written about SWOT analysis. Therefore it is necessary to read and understand the question well before answering. Some of them had not given examples for each variables.

Part (b)

Tested the knowledge on advantages and disadvantages of a Private Limited Company. The question was fairly easy and majority had answered satisfactorily and those who attempted the question had gained full marks.

Question No. 03

It was expected to test the candidates' knowledge about Human Resource Planning and Total Quality Management (TQM).

Part (a)

- (i) It was required to identify the objectives of Manpower Planning. Majority of the candidates had not written answers to the point and they have given vague answers to this part with their general knowledge. Therefore it is recommended that the candidates should acquire a sound knowledge referring to self-study texts.
- (ii) It was tested the knowledge of how to overcome Human Resource Surplus in an organization. Candidates had not written answers to the point and they had given vague answers to this part with their general knowledge. Therefore it is recommended that the candidates should acquire a sound knowledge referring to self-study texts. For this question, almost all the candidates had obtained 2 to 4 marks out of 5.

Part (b)

- (i) This part was based on Total Quality Management (TQM). Most of the candidates had not understood the principles of Total Quality Management. Very few of them had given the correct answer. This proves that candidates should strengthen their knowledge regarding Total Quality Management in an organization. Considerable number of candidates had not answered this part.
- (ii) Tested the knowledge on dimensions of quality for services. Considerable number of candidates had not understood the dimensions and they had given vague answers. Therefore overall performance of the above question was unsatisfactory. Very few candidates had obtained 5 marks out of 10.

Question No. 04

This was based on Marketing of the organization. Almost all the candidates had obtained below 7 out of 10 marks.

Part (a)

Almost all the candidates had understood the importance of branding and got full marks.

Part (b)

- (i) Almost all the candidates had understood the <u>market segmentation</u> and had obtained full marks.
- (ii) It was tested "Terms of Positioning used in Marketing". Most of the candidates had not understood the term. Those candidates had explained this question with their general knowledge. Most of them misunderstood positioning as location or place of the market. Therefore, most of the candidates had obtained very few marks for this part.

Question No. 05

It was expected to test the knowledge of the candidates regarding Operations Management. Most of the candidates had obtained between 5 to 6 marks out of 10.

Part (a)

This part tested the knowledge of importance of Operations Management. Most of the candidates had obtained 3 marks out of 6 for this question due to failure in explaining the importance.

Part (b)

This part was based on the benefits of outsourcing. Majority of the candidates had not answered properly and have obtained low marks for this question due to failure in identifying the term "outsource".

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Section C

This section consisted of 01 compulsory question for 20 marks.

Question No. 06

This was a case-study based question regarding "SETA" and it was expected to examine the knowledge of Marketing Management and Human Resources Management. Almost all the candidates have attempted this question and most of them had obtained more than 12 marks out of 20.

Part (a)

Majority of the candidates had written clearly causes of grievances of **Rubi** at **SETA** as per the given scenario and most of them got 5 marks out of 6.

Part (b)

The question was expected to test the knowledge regarding the steps of procedure that should be adopted when selecting a suitable candidate. Most of the candidates had not performed this part well.

Part (c)

The question tested the meaning of "Data mining". Most of the candidates had failed to answer the question. This highlights the poor knowledge shown by the candidates regarding databases. Only a very few candidates had obtained full marks.

Part (d)

This part was based on the Marketing Mix of **SETA**. Most of the candidates had explained Marketing Mix ignoring the given scenario. Therefore the candidates were unable to obtain the full marks allocated to the question, though they have written about Marketing Mix. It is necessary to read and understand the question well before answering the question.

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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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