

Examiner's Report

AA2 Examination - July 2016

(AA26) BUSINESS MANAGEEMNT & STRATEGY

SECTION A

Objective Test Questions (OTQs)

Question No. 01

This question consisted of 10 objective test questions of 02 marks each totaling to 20 marks.

For questions 1.1 to 1.5, the most suitable answer had to be selected and the number relevant to the selected answer to be written in the answer booklet. Most of the candidates have followed the instructions, but a few had written the answer in full instead of the number.

For question 1.6 to 1.10, the correct answer out of the two given within brackets had to be selected to fill in the blanks and the selected answer should be written in the answer booklet. Most candidates had followed instructions and provided satisfactory answers.

Generally the performance of the candidates was found to be at a lower level for the following questions.

Question No. 1.5

A considerable number of Candidates had failed to identify that all the given sources of resistance to change are relevant.

Question No. 1.10

Most candidates had no clear idea about Diversification strategy and Concentration Strategy.

It is essential that candidates should obtain a clear understanding of the subject matter to answer this type of question. This was an easy question to earn marks. Studying the Self-Study Pack properly would assist obtaining marks successfully. Instructions given should be understood properly in answering questions.

SECTION B

This part consisted of 05 questions and five marks (05) for each question.

Question No. 02

How efficiency and effectiveness help to improve the productivity of an organization is required to be explained in this question. Although most of the candidates had attempted the question, it was revealed that they had not properly identified separately what was meant by each of the terms. Further, they had no clear knowledge about the relationship between the two terms to explain how efficiency and effectiveness help to improve the productivity.

Question No. 03

Stating 05 barriers to delegation of authority from the side of a manager was the requirement in this question. Most of the candidates had answered successfully. It was observed that a few had written very descriptive answers disregarding the quantum of marks allocated to the question unnecessarily devoting their time. The fact that the question required to “state” was ignored and detailed explanations were given. A few had written about barriers from the employee’s side as well.

Question No. 04

The importance of communication in an organization was to be explained in this question. Most of the candidates had answered successfully. Some other candidates disregarding what was expected from the question and ignoring “in an organization” had explained what is meant by communication and the advantages and disadvantages of communication. No attention had been paid to the importance of communication in an organization.

Question No. 05

This question required to state the advantages that an organization can obtain by being socially responsible. On the whole the answers provided were successful. In order to obtain full marks 05 advantages had to be stated. Though this was an easy question, it was revealed that some candidates had written detailed descriptions, irrelevant points and had wasted time.

Question No. 06

This question required to explain the primary activities of Value Chain Model by Michael Porter. The answers to this question were unsatisfactory and some candidates had given up answering the question. Certain candidates, instead of value chain model expected in the question had written about other theories introduced by Michael Porter. Eg: Porter’s generic strategies, Porter’s five forces.

A small number of candidates had correctly understood the question and provided answers. Candidates can easily answer this type of Business Management and Strategy questions by perusal of the Self –Study pack.

SECTION C

This part consisted of 03 compulsory questions and ten marks (10) for each question.

Question No. 07

Management approaches and basic matters relating to management were tested by this question. The advantages and disadvantages of the present management approach of the given scenario also had to be explained.

Candidates were required to identify the management approach of the given case study. As most candidates could not identify the approach earning of marks was at a poor level. Most of them had stated classical approach, but the answer should be more specific as bureaucratic approach. Marks could have been easily earned if perusal of the Self-Study text had been done.

Part (b) was required to explain the advantages and disadvantages of the present management approach of the given company. Inability to answer part (a) correctly has limited the earning of marks for part (b). Candidates should have proper knowledge of theory in order to identify management approaches correctly.

Question No. 08

Part (a) of the question tested the sequential steps in the planning process, while part (b) required explaining the relationship between planning and controlling in an organization.

It was observed that in writing the sequential steps, candidates had not followed the proper order or skipped a few steps due to lack of knowledge and most of them had not stated clearly the relationship between planning and controlling.

Generally, it was revealed that lack of understanding of the subject matter, and writing answers had been done without understanding the question. Although it was an easy question, some candidates could not earn marks because there had been less preparation before the examination and not studying the subject. They would have been able to answer successfully if they had practiced answering past papers or probable questions.

Question No. 09

Most candidates had not answered this question successfully and even the answers were found to be unsatisfactory. It was revealed that there had been no proper study of the subject matter either by studying of the subject matter , by studying the self-study text or attending lectures. Some candidates attempting to state 04 elements of the Cultural Web had written various irrelevant answers without an understanding of the subject.

While presenting examples to explain the relationship between strategy and culture, instances of detailed descriptions being written were observed. Candidates should understand that an example is only a matter to confirm one's answer and not a complete answer to such a question. However much is known on the subject, candidates should be aware to write the answer successfully relevant to the question.

SECTION D

This part consisted of 01 compulsory question for twenty five (25) marks.

Question No. 10

The manner of answering this question by candidates was at a satisfactory level.

Part (a)

Steps involved in a Rational Problem Solving Process had to be stated. It appeared that most candidates understood the problem. But some candidates without stating specific steps had wasted time writing details.

Candidates should understand that in this type of question, it is sufficient to write the steps in order. Some other candidates though mentioned rational problem solving process, had not adjusted it with the given scenario.

Part (b) (i)

In answering this part although the appropriate leadership model (Autocratic / Task Management / Authority Compliance) had been identified, it had not been confirmed with material from the case study, and the common characteristics of that leadership style had been written. What is expected from the case study was obtaining an understanding of the practical position. Candidates should therefore be aware to confirm their answers through materials from case study.

Eg: If the autocratic style has been stated;

- Owner using the influence to all operations.
- Limitation of leaves to employees.

Similarly if the authority compliance style has been stated;

- Salaries and allowances based on performance.
- Thinking that maximum commitment for developing the organization is necessary.
- Neglect of employees' personal problems.

Part (b) (ii)

The appropriate leadership style relating to a situation should be identified. Some candidates though Democratic / Team Management had been identified, use of facts /, materials from the case study appeared to be at a weak level.

Eg: Stating the fact that as there were capable operational managers, if decisions were taken in consultation with them, the production targets could have been achieved, etc. would support candidates to earn more marks.

Part (b) (iii)

It was required to state 02 reasons why a good leadership is important for an organization. Most candidates had successfully answered. Some candidates instead of writing specific answers had explained general matters such as maximizing profits, achieving business objectives.

This type of question could be answered well through reading extra books, magazines, newspapers and the Self Study Text.

Part (c)

Discussing the feasibility of using the Maslow's Hierarchy of Needs to motivate employees of the company given in the case study was required. Some candidates had not stated the standard sequential order of the hierarchy of needs. It was noted the weaknesses such as non- disclosure of what is stated in those needs, and answering without relating it to the scenario in candidates' answers.

It would have been possible to earn more marks if examples from the case study had been quoted for hierarchy of needs.

Eg: Providing protective equipment to protect employees from accidents, arranging for life insurance.

Candidates should be more aware as to how Maslow's Theory should be adjusted to matters included in the case-study.

Eg: pointing out the fact that employees of this company are now working on a contract basis and they could be employed on a permanent basis ensuring job security, they could be motivated.

Further, pointing out the fact that by taking decision in consultation with efficient managers would ensure their recognition amounting to fulfillment of them. Self Esteem would motivate them.

In order to write answers to this type of questions by adjusting the theoretical knowledge to the case study given, candidates should master the art by practicing similar past questions.

Common facts to consider in order to improve the competency level of the exam

candidates:

1. Study of the syllabus completely and thoroughly and paying high concentration on new subject matters.
2. Should not write unnecessary explanations/details when it is expected to write certain and direct answers after reading the question several times.
3. 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.
4. Refer specially the Self-Study Text, books, manuals, letters, magazines and any other material related to this subject.
5. Build competencies that are necessary to correctly identify and compare fundamental theoretical concepts, when answering.
6. Should ensure that hand writing is legible and question numbers are placed accurately and accordingly.
7. Adhere to the instructions given in the paper.
8. Improve your knowledge by referring past papers and answers.
9. Should be able to structure the differences between the management concepts relatively by a correct understanding of these concepts.
10. Proper time management.
11. Properly check whether question numbers are placed accordingly before handing over of the answer scripts.
12. Sit for the exam with prior a preparation and an utmost expectation of getting through.