

Examiner's Report
LEVEL II EXAMINATION - JULY 2025
(204) BUSINESS MANAGEMENT

This question consists of 15 sub-sections. The total marks allocated for question number one is 25. This question paper comprised of three Sections – **A, B** and **C** consisting of 07 compulsory questions.

SECTION A

Question No. 01

Question 1 consists of fifteen (15) OTQs. Total marks for the question number one was 25. Questions were presented covering most sections of Business Management syllabus.

In the case of sub questions **1.1 to 1.5** the most appropriate answer had to be selected and the number of the selected answer was to be written in the answer booklet to obtain 10 Marks. Average number of candidates had selected correct answers to obtain full marks. Due to the minimal knowledge about the subject some students had messed up in selecting correct answers. Also, observed that some candidates has written answers in words despite mentioning the answer number.

With regard to sub question numbers **1.6 to 1.10** candidates had to select the correct answer out of two answers given in brackets to obtain 5 marks. Majority of Candidates had provided correct answers for these questions. There were some candidates who had written 1 or 2 instead of correct answer in words.

Candidates were requested to write short answers each, to the sub questions **1.11 to 1.15** for 10 marks. There were many alternative answers for these 05 questions. Also, it was noted about small number of candidates in all three mediums has totally evaded answering **1.11 - 1.15**.

- 1.11** Candidates had to state, two benefits of Market Segmentation. Although majority of candidates had attempted correctly others had failed to mention correct answers such as Better targeting and communication, Increased Market, Higher Customer Retention, The business is able reduce market risk, It increases profitability, Increase in competitiveness, Ability to expand the business.
- 1.12** When explaining the difference between “Market Penetration” and “Market Development”, it was observed many had failed to provide satisfactory answers. However, marks were given for every acceptable answer.
- 1.13** It was asked to state two types of change which majority of the candidates had fake answers. But, some candidates had written Planned Change, Emergent Change, Incremental Change, Step Change, Transformational Change, Strategic Change and Operational Change and earned marks.

- 1.14** Candidates were supposed to briefly explain cost leadership as a strategy in Porter's Generic Strategies. Majority had given wrong answer and many candidates had avoided answering this question.
- 1.15** It required to state two advantages of an internal recruitment policy. Majority of the candidates had written correct answers such as Lower cost & faster to fill vacancies than external hiring, Retains appropriate staff by showing clear career progression, Known performance & cultural fit, Help to maintain a sound labor management relationship, Motivate and enhance moral of current employees, etc.

Overall performance for this question in all three mediums was at a satisfactory level.

SECTION B

This section comprised of 05 compulsory questions each carrying 10 marks with a total of 50 marks. The performance level of majority of the candidates for these 5 questions was at an average level. It was noted that some candidates had not written answers for some of the questions and few candidates had given unsatisfactory answers for some of the questions.

Question No. 02

This Question comprised three parts, **(a)**, **(b)** and **(c)**.

- (a)** Requested to explain 02 types of skills considered by **Zenith Tech Solutions** when classification of managers based on hierarchy. Most candidates had just mentioned skills without explanation. Some had explained with facts that had no relevance to named skills. The candidates who scored marks had mentioned Technical Skills, Interpersonal Skills and Conceptual Skills and explained them properly.
- (b)** The question required to list 02 decisional roles required by a manager as per Henry Mintzberg. We observed that most of the candidates have ignored this section of the question. Even who attempted answers, many have misunderstood the question. Marks obtained in all three mediums were low for this section. Some of the candidates have correctly mentioned some decisional roles such as Entrepreneur, Negotiator, Resource Allocator and Disturbance Handler earned marks.
- (c)** 04 barriers to be faced by **Zenith Tech Solutions** when making rational decisions to be listed. Candidates who attempted this part were able to obtain allocated marks for this section. Majority of the Tamil medium candidates had avoided answering this part. Those who answered correctly had listed below as barriers to be faced by **Zenith Tech Solutions**:
- Time pressure in a fast-growth environment
 - Incomplete/ambiguous information
 - Cognitive biases (confirmation/anchoring).

- Siloed communication / politics limiting objective evaluation.
- Limited capacity of decision maker
- Stereotyping
- Halo effect

Overall performance for this question was at satisfactory level.

Question No. 03

This question too comprised parts **(a)**, **(b)** and **(c)**. All parts related to subject theory from the study pack. Almost all the Candidates had attempted the question.

- (a)** It was requested to state the steps of planning process. Majority of candidates had given successful answers to obtain 3/4 marks. Limited number of candidates had failed to earn any mark due to highlighting Management process instead of planning process.
- (b)** It was required to state two types of plans of a business organization. Only limited number of candidates had answered accurately to get allocated two marks. Certain candidates had provided answers without understanding the question. Those who are answered correctly had written strategic, operational and tactical planning.
- (c)** It was required to explain (02) roles of a manager in motivating employees of an organization. Candidates who provided relevant points were given maximum marks. However, some candidates have mentioned only the points without explaining them.

Overall performance for this question was at the satisfactory level.

Question No. 04

Question comprised of parts **(a)**, **(b)** and **(c)** for 10 marks.

- (a)** Candidates were asked to state 03 benefits of having a good employees' welfare management system in PQR Techno Ltd under the given scenario. Although it was possible to obtain marks very easily, only very few candidates obtained the allotted marks providing successful answers. There were many candidates who had provided alternative answers without reading the question accurately.
- (b)** Requested to explain how the following operations management functions should execute to gain higher benefits for **PQR Techno Ltd.**:
 - (i) Supply Chain Management (ii) Quality Management

It was observed that majority had provided acceptable answers for this section. Some had written irrelevant facts which we had to ignore.

- (c) It was asked to State (02) differences between “a Leader” and “a Manager”. Majority of candidates had submitted correct answers for this section.

Overall performance for this question was at a satisfactory level.

Question No. 05

It was expected to test the knowledge of candidates in Abraham Maslow’s Hierarchy of Needs Theory, Controlling and Effective Communication under (a), (b) and (c). Total 10 marks.

- (a) Under the given scenario, (02) types of needs in Hierarchy of Needs Theory used to motivate employees at **Global Solutions** to be explained. It was a question that can be answered directly from the study Text. Limited number of candidates were successful in answering this section as requested. Some had only mentioned 02 needs without explanation. Another set of candidates had no idea in matching needs with examples which lead to earn less marks.
- (b) Candidates were asked to Explain (03) reasons why controlling is important for **Global Solutions**. Answers were not in par with the marking scheme. Those who earned marks had written answers such:
- Helps in Achieving Organizational Goals.
 - Judging Accuracy of Standards.
 - Making Efficient Use of Resources.
 - Improving Employees’ Motivation.
 - Ensures Order and Discipline.
 - Facilitates Coordination in Action.
 - Improves Employee Performance.
- (c) It was asked to state 02 benefits of effective communication for **Global Solutions**. Majority of candidates had submitted correct answers such as Fewer errors and faster decisions, Better coordination and morale, To maintain effective stakeholder relationship, Enhance professional image, Reduce conflicts, Improve organizational culture, For effective problem solving, Efficient decision making, Increase productivity via motivation, Enhance organizational transparency, Trust and confidence, Smooth functioning of a company, etc. for this section. Rest had highlighted disadvantages of poor communication and loose their marks.

Overall performance for this question was at an average level.

Question No. 06

This was a question set to test the candidates' knowledge on, AI-driven automation, Change Management and Transformational Leadership.

- (a) It was required to identify (02) impacts of new technology on the operations of **MMC Ltd.** Alternative answers observed which has no relevance to the given scenario. Lack of understanding the question noted as the answers of majority of the candidates were not satisfactory. Only a very few candidates obtained the allotted full marks.
- (b) It was required to state 04 ways to encourage employees to accept the change to be stated. Those who obtained marks had written correct answers such as:
- communicate clearly and early - purpose,
 - benefits, impact on roles,
 - Involve staff in pilots/feedback to build ownership,
 - Train & support - hands-on workshops,
 - coaching,
 - helpdesk,
 - Recognise & reward adopters - quick wins,
 - public praise, incentives.
 - Allowing accountability, Participation and investment,
 - Keep communication lines open,
 - Have clear idea of the need to accept change and Be realistic, etc.
- (c) The applicability of transformation leadership theory at **MMC Ltd.** to be explained. Majority of the candidates had provided poor answers. Seems like they had no clue with regard to transformation leadership theory.

Overall performance for this question was at an average level.

SECTION C

Question No. 07

Questions were based on a case study. Total marks allocated were 25. The question has been set to test overall knowledge of business managerial aspects of candidates. The question consisted of 5 parts **(a), (b), (c), (d)** and **(e)**.

- (a)** Candidates were supposed to explain (03) methods of digital marketing that **XYZ (Pvt) Ltd.** could use to boost its sales. Many candidates had written accurate answers for this part. Few candidates had emphasised on general aspects without understanding the question. Though methods were mentioned some had failed to explain the same which lead to allocate low marks. English medium candidates were better than others for this part.
- (b)** It was asked to explain three reasons why ethical marketing is important for **XYZ (Pvt) Ltd.** In Sinhala medium, there were many candidates who had understood the question wrong where answers were also very poor. English medium ones scored better with precise answers. Obtaining all 06 marks for this part were rare in all three mediums.
- (c)** (04) ways that can be used by **XYZ (Pvt) Ltd.** to retain employees of the organization should have stated. Satisfactory performance level was observed for this question. Majority of candidates had managed to earn allocated 04 marks.
- (d)** (04) objectives of Human Resource Management to be stated. Lack of knowledge about HRM objectives reflected among many candidates. Merely writing descriptive answers will not help to score marks.
- (e)** Candidates were expected to explain three internal factors which influence the strategies of **XYZ (Pvt) Ltd.** Proper understanding on internal strategies were very low among majority of candidates. Hence, unsatisfactory performance level was observed for this part. Only a very few candidates obtained the allotted full marks.

Overall performance for this question was at a satisfactory level.

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

- (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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