

## Examiner's Report

AA2 Examination - January 2018

### (AA26) BUSINESS MANAGEEMNT & STRATEGY

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This question paper comprised of 4 parts – A, B, C and D with 10 compulsory questions.

#### SECTION A

Objective Test Questions (OTQs)

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

Question 1 consists of ten (10) compulsory questions. Each question is for 2 marks and for 20 marks in total.

It was required to select the most correct answer for question No. 1.1 to 1.5 and write the number of the selected answer in the answer booklet with the number assigned to the question. It was observed that; most of the candidates did not adhere to the given instructions. It was also noticed that, some candidates had marked the answers on the question paper itself and attached instead of writing them on the answer booklet. Additionally some candidates have not answered some of the questions in this section.

The majority of the candidates have not properly answered the sub questions 1.2 and 1.5. The question 1.2 was on the components of the system theory. Even though the correct answer is option “4”, most have not marked the correct answer.

The question 1.5 was on cultural web and it was expected to identify the irrelevant element out of the options given. However, most have identified the elements of cultural web instead of “Not”.

It was required to state whether each of the statements from No. 1.6 to 1.10 was TRUE or FALSE. Majority of candidates answered well and obtained high marks for this question. However, some candidates have scored lower marks due to lack of knowledge or poor preparation for the exam.

The candidates are expected to manage their time at the exam, when answering these type of questions; which cover the entire syllabus.

When answering the “Objective Test Questions”; candidates must manage their time effectively and understand the given instructions properly.

#### SECTION B

This section comprised of 05 questions for 25 marks with 5 marks each.

##### **Question No. 02**

It was expected to test the knowledge of the candidate regarding the importance of management. It was observed that most of the candidates have answered well. However, it was observed that some candidates have explained the term management and the process of management instead of the importance of management. It is essential to read and understand the question properly.

**Question No. 03**

It was expected state five (05) characteristics of bureaucracy. The majority of the candidates have answered well for this part and got full marks. It was noticed that, they have studied the self – study text. Nevertheless, some candidates have scored lower marks due to lack of knowledge and poor understanding on the requirements. However, some of the candidates have provided answers stating the advantages and disadvantages of bureaucracy. Some have provided lengthy answers unnecessarily.

When answering it is important to pay attention on the requirement of the question and the allocated marks for the question.

**Question No. 04**

It was expected to state three communication skills required for a manager of an organization to maintain effective communication. Some candidates have not properly understood the question and mentioned the management skills. However, very few candidates have given clear and focused answers.

Some of the candidates had explained the term communication and identified the channels of communication. It must be noted that, the candidates are expected to provide clear and focused answers for these types of question. Do not write unnecessary explanations and details, when direct and accurate answers are expected from the question.

**Question No. 05**

It was expected to state five differences between strategic control and operational control.

Based on the answers given it was found that the candidates have not clearly identified the difference between strategic control and operational control. Additionally, it was noted that some candidates have explained the two terms separately, instead of identifying the differences between strategic control and operational control. Hence, it was observed that; the majority of the candidates have not scored marks due to not referring the self-study text.

**Question No. 06**

It was expected to state five reasons why leadership is important for an organization. Even a candidate having the basic knowledge on leadership could have answered well for this question. Some have highlighted the same point over and over within the answer. However, some candidates have discussed the leadership theories instead of explaining why leadership is important for an organization. However, it was noticed that, candidates have not possess a sound knowledge on this question.

## SECTION C

### **Question No. 07**

This question consisted of two sections and was on rational decision making process. It was expected to identify four barriers of rational decision making under part (a) and to explain the steps involved in rational decision making process in part (b). Four marks and six marks were allocated respectively for part (a) and part (b).

It was observed that the candidates have successfully answered the part (a). The candidates could have gained full marks if they explored their general knowledge in answering this part of the given question. Some candidates have mentioned the nature of the rational decision making process and how rational decisions can be made instead of identifying the barriers of rational decision making. These were irrelevant answers. Additionally, some of the candidates have mentioned the same points over and over without addressing the given question requirement properly.

The candidates have gained high marks for part (b) by proving successful answers. It was observed that most of the candidates did not properly understand the given question requirement. Some candidates have only mentioned the steps of rational decision making process without explaining them. Additionally, some candidates have mentioned the steps in incorrect order without considering the sequence of the steps involved in the rational decision making process.

### **Question No. 08**

This question consisted of two sections and was on motivation. It was expected to discuss the relationship between the performance and employee motivation in an organization under part (a) and to explain the three needs shown under the “Maslow’s hierarchy of needs theory” in part (b). Four marks and six marks were allocated respectively for part (a) and part (b).

It was observed that the candidates have successfully answered the part (a). Even though some of the candidates have not mentioned the focused points they have correctly identified the positive relationship between the two concepts. It was observed that few candidates did not properly understand the correct relationship between the two concepts. Additionally, some candidates have discussed the methods of motivating the employees within an organization, which are irrelevant answers.

The candidates have gained high marks for part (b) by proving successful answers. It was observed that the candidates have properly studied the “Maslow’s hierarchy of needs theory”. The candidates have used the diagram and examples in order to enrich the answers in a successful manner. The overall performance was satisfactory for this part of the question.

### **Question No. 09**

It was expected to explain three levels of Corporate Social Responsibility (CSR) under part (a) and to state four reasons for the importance of culture in organization in part (b). Six marks and four marks were allocated respectively for part (a) and part (b).

It was observed that some of the candidates have only explained the term CSR instead of explaining three levels of CSR. It was noticed that most of the candidates have not properly understood this question. The overall performance for this question was on average. Only few candidates have successfully answered and gained full marks.

It was observed that some of the candidates have explained the reasons for the importance of culture in organization stating them.

## SECTION D

### Question No. 10

#### Part (a)

It was expected to explain three (03) challenges faced by the **Supul Furniture Ltd.** The candidates could have answered this question by understanding the given scenario. The majority of the candidates have correctly identified and explained the challenges and answered successfully. Some candidates have only mentioned the challenges without providing any explanations. Even though the marks allocation was 6 marks for this question, it was noticed that some candidates have provided lengthy answers for this section. Additionally, some of the candidates have mentioned challenges which were out of the given scenario.

I was noticed that; some candidates only explained the frameworks without applying to the given context. It is important to contextualize the answers. The overall performances for this part by majority of the candidates were high. However, few have not answered well.

#### Part (b)

It was expected to state four(04) advantages and four(04) disadvantages of having a functional organizational structure for **Supul Furniture Ltd.** This was a very straight forward and theoretical question to answer. Around half of the candidates was answered successfully by contextualizing the answers. The overall performance was satisfactory for this part of the question.

#### Part (c)

It was expected to assess the impact to the operation of **Supul Furniture Ltd.** from the environment using SWOT analysis. Even though the candidates could have answered this question by understanding and extracting the information from the given scenario, some of the candidates have mentioned SWOT factors which were out of the given scenario. The most of the candidates have answered successfully by contextualizing the answers. Additionally, few candidates have provided poor answers. However, the overall performance was satisfactory for this part of the question.

#### Part (d)

It was expected to state three (03) primary activities of Porter's Value Chain model. The overall performance was poor for this part of the question. However, only a few answered successfully. Additionally, some candidates have mentioned secondary activities instead of the primary activities of Porter's Value Chain model. The candidates could have referred the self-study text in order to avoid such occurrences.

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**Common factors to consider in order to improve the competency level of the exam candidates:**

1. Study the syllabus well.
2. When you receive the question paper read the instructions carefully (Extra time allocated for this purpose).
3. Candidates should carefully read the question several times and understand what is required. When a direct reply is expected writing unnecessary explanations and details should be avoided.
4. Manage the time efficiently at the examination.
5. Before handing over the answer booklet check twice that question numbers and your Index Number are written correctly.
6. 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.
7. Ensure that the handwriting is at a legible level and question numbers are properly stated for the answers.
8. Reading of Self-Study Text, Articles and Magazines, etc. is desirable.
9. Study and practice answering past question papers in order to improve your knowledge.
10. Face the examination well prepared with a firm determination of passing.

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