



Welcome, my name is Steve Skidmore. This session looks at performance in the first three sittings of the P3 examination – Business Analysis.



REVIEW OF PAST EXAMS

We begin by reviewing past examinations



What was done well?

WHAT WAS DONE WELL?

Many candidates have provided excellent answers

Harmon process-strategy grid used effectively

Value chain and supply chain well understood

Key strategic analysis theories and frameworks well explained

Portfolio analysis used appropriately

Many candidates have provided excellent answers to date, using models and techniques which are relatively new to the ACCA syllabus.

For example, the Harmon process-strategy grid when answering question 2 of the June 2008 examination.

Answers concerning the value chain (for example, question 3 of the December 2007 examination) and the supply chain have also been impressively answered.

Candidates also appear to be comfortable with key themes and frameworks in strategic analysis; for example, PESTLE, SWOT and Porter's five forces. For example, question 1b of the December 2008 examination.

Portfolio analysis extensively applied successfully to question 2 in the December 2008 examination on the MMI Group



What was not done well?

WHAT WAS NOT DONE WELL?

Project management, strategic change and marketing

Contextual answer of case study question

Too much description, not enough application

There have been some evident knowledge weaknesses in project management, strategic change and marketing. For example, question 3 of the June 2008 examination paper specifically mentioned the “marketing mix” but few candidates picked up on this.

However, the main problem is the contextual answers of case study questions, although this did improve at the December 2008 sitting.

Candidates spend too long describing models rather than applying them to the case study scenario.

For example, table 2 of the June 2008 paper should have suggested to candidates a number of things about the mobile phone market place in the case study country. The figures shows that overall growth had slowed and that the five competing firms in the market place were relatively equally balanced. This suggests things about the product life cycle and the competitive nature of the market place. This information can be fed into the answer, for example, by explaining what Porter suggests about a maturing market place, dominated by a few equally-balanced competitors.



Lessons learned



What to focus on

WHAT TO FOCUS ON?

Well-prepared from a knowledge perspective

Familiar with theory and models of the syllabus

Problem lies in application and context

Applying recall knowledge brought forward from F1

There is no real evidence that candidates are focusing on the wrong thing. From a knowledge perspective they seem to be well-prepared. One exception to this might be the strategic lenses asked for in question 1c of the December 2008 examination.

Candidates also appear to be familiar with the theory and models of the syllabus. Both authorized Study Guides are well-written and comprehensive and candidates familiar with the content of these should be able to attempt the examination with confidence

As stated before, the problem largely lies in applying the knowledge to the questions and the scenarios. All information included in the scenarios is potentially relevant.

Candidates must also realize that knowledge can be brought forward from paper F1 – The Accountant in Business . For example, F1 may pose recall questions about stakeholder management and the power/interest grid. In P3 the candidate might use this grid in an answer to a question where stakeholders in a given scenario have to be analyzed and managed appropriately.



How to improve

HOW TO IMPROVE? (1)

Practice writing answers to scenario questions

Answer questions from the required slant/position

Use the quantitative data provided in the scenario

Practice mock examinations under realistic time constraints

Practice writing answers to scenario questions. Look critically at the answers and ask whether they make sense in the context of the scenario. Furthermore, are there enough discrete points made to get the marks on offer?

Many scenario questions ask the candidate to take a particular slant or position; for example; inappropriate nature of no-frills approach (December 2007) or the need to retain retail shops division (June 2008).

Use the quantitative data provided in the scenario. All information is provided for a purpose. It can be there to replace or supplement the text. For example, we have already seen how table 2 in the June 2008 examination effectively showed a maturing market place with several equally balanced competitors. Financial data allows the candidate to use skills gained in other modules.

Practice mock examinations in realistic time constraints. This provides an insight into practical time management and reinforces the need to plan reading and preparation effectively. Poor time management was evident in the June 2008 paper.

HOW TO IMPROVE? (2)

Read widely, but use appropriately

Relational model and the interconnections

Study Guide is the basis of examination questions

Do not take published “likely questions” too seriously

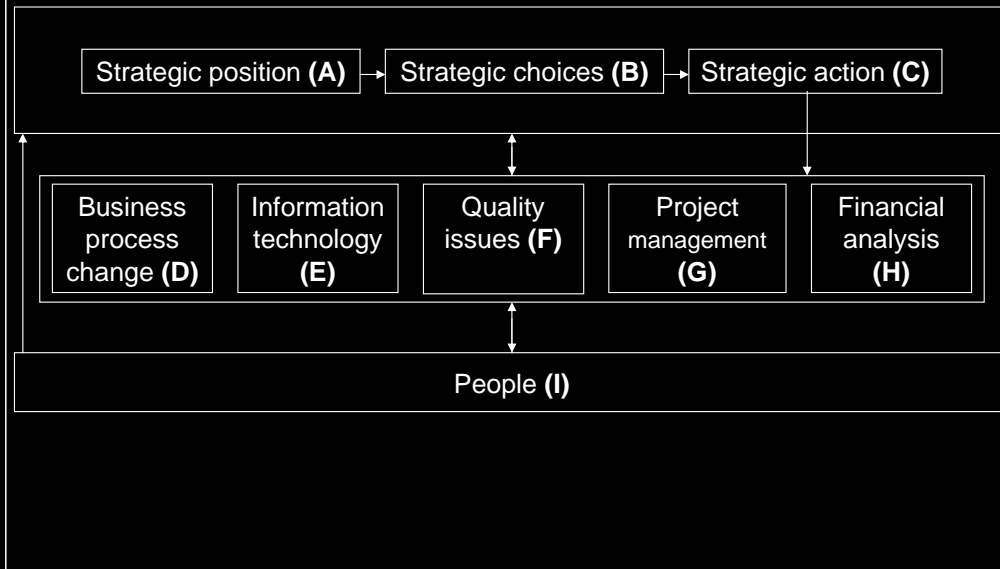
Read widely. In general the case study scenarios (particularly those for Section A) concern industries and applications that are found world-wide. They have issues that transcend cultures and countries. Many candidates will have tacit knowledge of these industries and applications gained from reading the press or indeed from just participating in commercial life. For example, airlines (December 2007) world-wide will have concerns about the cost of fuel, passenger safety, passenger service and the environment. Candidates are encouraged to integrate their experience and knowledge into answering questions where appropriate.

Recall the relational model of the Study Guide. This shows how the examination fits together and when you understand this, the syllabus should seem less daunting than it first appears.

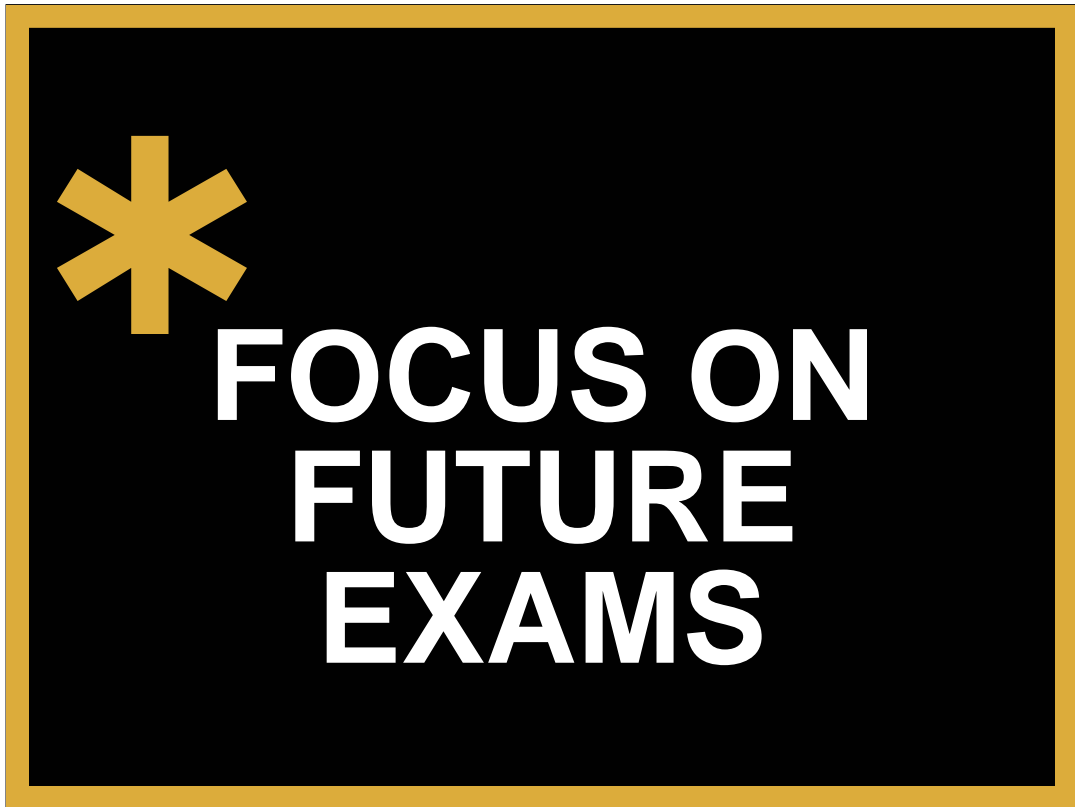
Make sure that you are clear about the relationship between the content of the Study Guide and the material you are studying. Examination questions are set from the Study Guide (not from study manuals).

Finally, do not take published “likely question lists” too seriously. Expecting a certain question to appear might lead the candidate, in the pressure of an examination, to answer a question using the wrong approach

HOW TO IMPROVE (3)



Here is the relational model to remind everyone of the structure of the syllabus and (in the next section) how it relates to the examination



Now to focus on future examinations



What is new?

The Examination...

- Section A

A multi-part question based on a case study scenario, worth 50 marks. Based on material from sections A, B and C of the syllabus; usually supported by H and I and occasionally supported by D, E, F and G. Includes quantitative information.

- Section B

Three discrete questions each worth 25 marks. Candidate must answer two questions. At least two of the questions will be based on material from sections D, E, F, G and I of the syllabus. At most one question from A, B and C of the syllabus. Supporting material may be required from section H.

This slide shows the examination format used for the first three sittings of the paper. This will be replaced in June2009 with a simpler format

WHAT'S NEW?

The syllabus is assessed by a three hour examination, which comprises two sections. Section A contains one multi-part question based on a case study scenario. This question is worth 50 marks. The case study scenario will normally include quantitative information.

Section B will consist of three discrete questions, each worth 25 marks. Candidates must answer two questions in this section

Revised version of the sample paper available on the web

Greater flexibility in setting compulsory question

There has been a minor change in the structure of the examination. This has been reflected in the Study Guide and also highlighted in the *Student Accountant* and is shown here on this slide

A case study to illustrate the implications of the new approach has also been posted on the ACCA web site. This is basically a version of the pilot paper which reflects the new balance of the syllabus. Candidates and course providers are encouraged to look at this sample paper.

The new structure will give the examiner greater flexibility when setting the compulsory case study questions.



Will things change??

WILL THINGS CHANGE?

Slight sharpening of selected questions

More guidance on what frameworks or models to use

For example:

Using an appropriate model or models, analyze the competitive environment of AutoFone's retail shops division (June 2008)

Using Porter's Five forces framework, or an alternative appropriate model, analyze the competitive environment of AutoFone's retail shops division

I think that you will see a slight change in the focus of some of the questions.

You will find more questions which will give guidance to the candidate on what models or frameworks to use in their answers. For example, one of the questions in the pilot examination specified a PESTEL analysis. This was repeated again in the December 2008 examination.

The June 2008 examination paper asked the question

Using an appropriate model or models, analyze the competitive environment of AutoFone's retail shops division.

In the future this might read

Using Porter's Five Forces framework, or an alternative appropriate model, analyze the competitive environment of AutoFone's retail shops division.

The examiners believe that this is a fairer approach to examining some questions as there is relatively little time for the candidate, in the examination situation, to confidently reflect on model selection. However, this does not mean that all questions will be signposted in this way. There might be a question just asking candidates to assess the strategic position of an organisation.

