



ADVANCED PERFORMANCE MANAGEMENT (APM)

**Read the mind
of an APM marker
SPECIMEN EXAM Q1**

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Introduction

I am a member of the team who marks Advanced Performance Management. This article is designed to give you, the candidate, an insight into my mind, so that you can better understand what a marker will be looking for when it comes to marking your Advanced Performance Management response.

Insight into a marker's thinking – appreciating what we are trained to look for, what we award marks for, the reasons why marks may not be awarded – will help you fulfil your potential and gain the necessary marks to pass. It will help you appreciate the points that will attract marks so that you can better assess your answers when practicing questions.

This article uses two candidates' answers to Question 1 from the APM specimen exam. To support your reading of this article, you should refer to the specimen exam on the **ACCA Practice Platform**.

You may also find it interesting to refer to the published answers for the specimen exam, noting the differences and comparing the length and style to the candidates' answers seen in this article. It's important to remember that you don't need to replicate the published answer to achieve a pass. You can access the answers on the **ACCA Practice Platform**.

Question 1

Observations on the requirement

APM Specimen – from September 2022 onwards

Symbol Highlight Strikethrough Calculator Scratch Pad Close All Flag for Review 1 of 3

Exhibits

- 1. Organisation Information
- 2. CSFs and KPIs
- 3. Value for money
- 4. League tables
- 5. Appendix 1

Requirements

- Requirements (50 marks)

Response Options

- Word Processor
- Spreadsheet

Requirements (50 marks)

It is now 1 September 20X5.

Write a report to the CEO of the Department for Internal Affairs to respond to his instructions for work on the following areas:

- (i) the critical success factors and key performance indicators for Deeland Police; (16 marks)
- (ii) an evaluation of the value for money service provided; and (14 marks)
- (iii) the use of league tables in measuring the performance of Deeland Police. (10 marks)

Professional marks will be awarded for the demonstration of skill in communication, analysis and evaluation, scepticism and commercial acumen in your answer. (10 marks)

Help/Formulae Sheet Previous Navigator Next

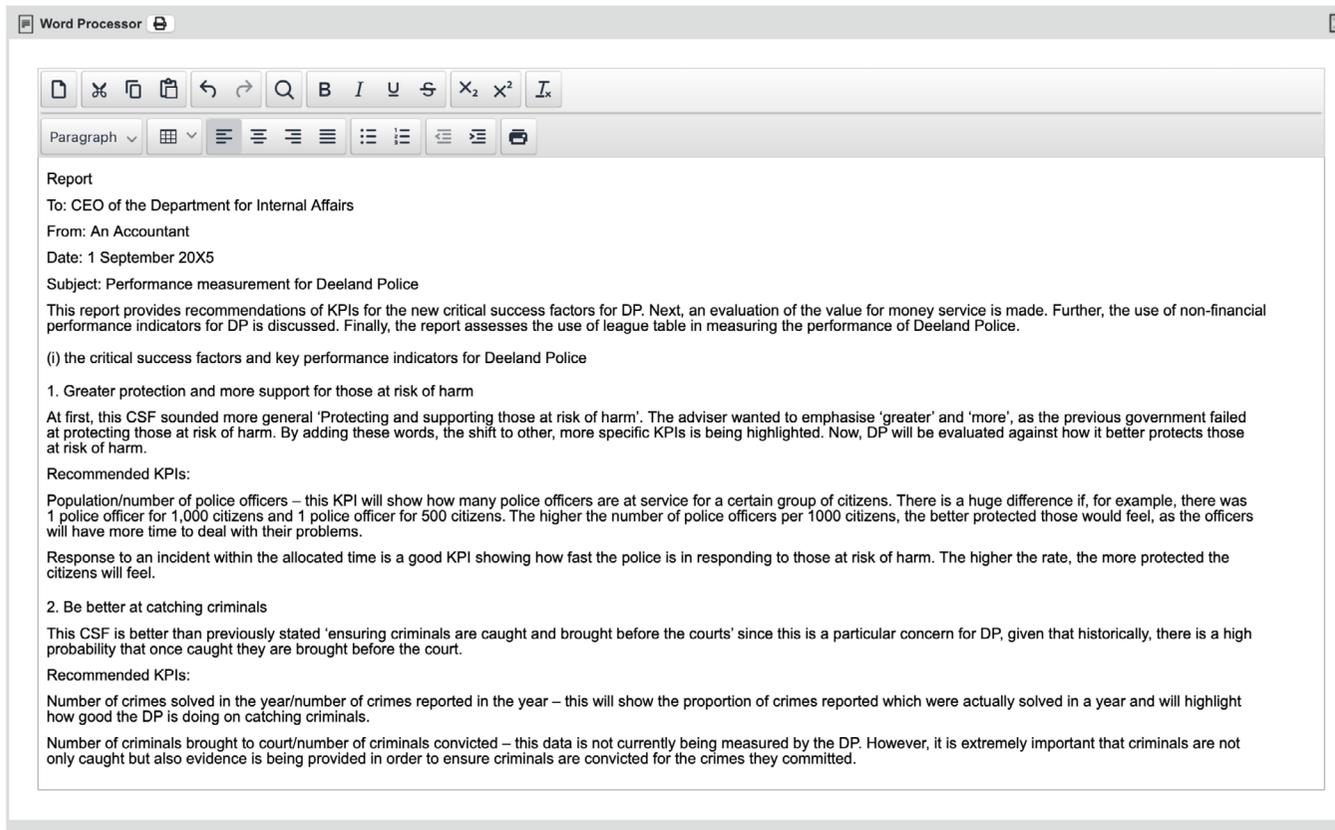
Question 1 is typical of a Section A question where a report is asked for by a senior member of an organisation to address a number of connected performance measurement and management issues. The context for this question is a public sector police service and it focused on the choice of critical success factors and resulting key performance indicators (a key starting point for performance measurement); an evaluation of whether the police service is providing value for money and finally the impact of introducing league tables.

Specimen exam marked answers

Marks awarded and comments:

Question 1 candidate one

Roll your cursor over each numbered note for the marks awarded and marker's comments to appear in the right side panel:



The screenshot shows a window titled "Word Processor" with a standard toolbar and a paragraph menu. The document content is as follows:

Report
To: CEO of the Department for Internal Affairs
From: An Accountant
Date: 1 September 20X5
Subject: Performance measurement for Deeland Police

This report provides recommendations of KPIs for the new critical success factors for DP. Next, an evaluation of the value for money service is made. Further, the use of non-financial performance indicators for DP is discussed. Finally, the report assesses the use of league table in measuring the performance of Deeland Police.

(i) the critical success factors and key performance indicators for Deeland Police

1. Greater protection and more support for those at risk of harm

At first, this CSF sounded more general 'Protecting and supporting those at risk of harm'. The adviser wanted to emphasise 'greater' and 'more', as the previous government failed at protecting those at risk of harm. By adding these words, the shift to other, more specific KPIs is being highlighted. Now, DP will be evaluated against how it better protects those at risk of harm.

Recommended KPIs:

Population/number of police officers – this KPI will show how many police officers are at service for a certain group of citizens. There is a huge difference if, for example, there was 1 police officer for 1,000 citizens and 1 police officer for 500 citizens. The higher the number of police officers per 1000 citizens, the better protected those would feel, as the officers will have more time to deal with their problems.

Response to an incident within the allocated time is a good KPI showing how fast the police is in responding to those at risk of harm. The higher the rate, the more protected the citizens will feel.

2. Be better at catching criminals

This CSF is better than previously stated 'ensuring criminals are caught and brought before the courts' since this is a particular concern for DP, given that historically, there is a high probability that once caught they are brought before the court.

Recommended KPIs:

Number of crimes solved in the year/number of crimes reported in the year – this will show the proportion of crimes reported which were actually solved in a year and will highlight how good the DP is doing on catching criminals.

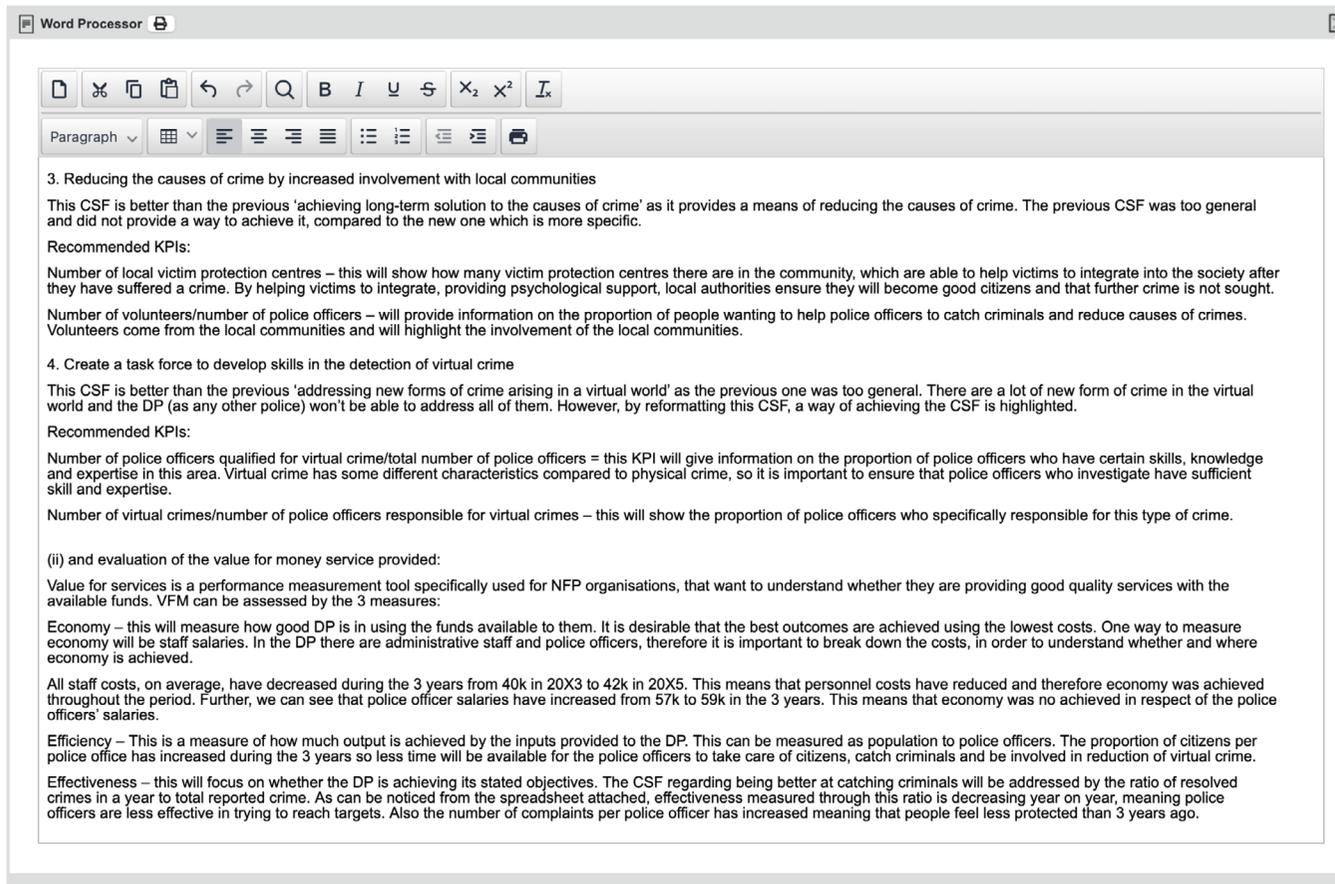
Number of criminals brought to court/number of criminals convicted – this data is not currently being measured by the DP. However, it is extremely important that criminals are not only caught but also evidence is being provided in order to ensure criminals are convicted for the crimes they committed.

1/3

Specimen exam marked answers

Question 1 candidate one

Roll your cursor over each numbered note for the marks awarded and marker's comments to appear in the right side panel:



Word Processor

3. Reducing the causes of crime by increased involvement with local communities

This CSF is better than the previous 'achieving long-term solution to the causes of crime' as it provides a means of reducing the causes of crime. The previous CSF was too general and did not provide a way to achieve it, compared to the new one which is more specific.

Recommended KPIs:

Number of local victim protection centres – this will show how many victim protection centres there are in the community, which are able to help victims to integrate into the society after they have suffered a crime. By helping victims to integrate, providing psychological support, local authorities ensure they will become good citizens and that further crime is not sought.

Number of volunteers/number of police officers – will provide information on the proportion of people wanting to help police officers to catch criminals and reduce causes of crimes. Volunteers come from the local communities and will highlight the involvement of the local communities.

4. Create a task force to develop skills in the detection of virtual crime

This CSF is better than the previous 'addressing new forms of crime arising in a virtual world' as the previous one was too general. There are a lot of new form of crime in the virtual world and the DP (as any other police) won't be able to address all of them. However, by reformatting this CSF, a way of achieving the CSF is highlighted.

Recommended KPIs:

Number of police officers qualified for virtual crime/total number of police officers = this KPI will give information on the proportion of police officers who have certain skills, knowledge and expertise in this area. Virtual crime has some different characteristics compared to physical crime, so it is important to ensure that police officers who investigate have sufficient skill and expertise.

Number of virtual crimes/number of police officers responsible for virtual crimes – this will show the proportion of police officers who specifically responsible for this type of crime.

(ii) and evaluation of the value for money service provided:

Value for services is a performance measurement tool specifically used for NFP organisations, that want to understand whether they are providing good quality services with the available funds. VFM can be assessed by the 3 measures:

Economy – this will measure how good DP is in using the funds available to them. It is desirable that the best outcomes are achieved using the lowest costs. One way to measure economy will be staff salaries. In the DP there are administrative staff and police officers, therefore it is important to break down the costs, in order to understand whether and where economy is achieved.

All staff costs, on average, have decreased during the 3 years from 40k in 20X3 to 42k in 20X5. This means that personnel costs have reduced and therefore economy was achieved throughout the period. Further, we can see that police officer salaries have increased from 57k to 59k in the 3 years. This means that economy was not achieved in respect of the police officers' salaries.

Efficiency – This is a measure of how much output is achieved by the inputs provided to the DP. This can be measured as population to police officers. The proportion of citizens per police office has increased during the 3 years so less time will be available for the police officers to take care of citizens, catch criminals and be involved in reduction of virtual crime.

Effectiveness – this will focus on whether the DP is achieving its stated objectives. The CSF regarding being better at catching criminals will be addressed by the ratio of resolved crimes in a year to total reported crime. As can be noticed from the spreadsheet attached, effectiveness measured through this ratio is decreasing year on year, meaning police officers are less effective in trying to reach targets. Also the number of complaints per police officer has increased meaning that people feel less protected than 3 years ago.

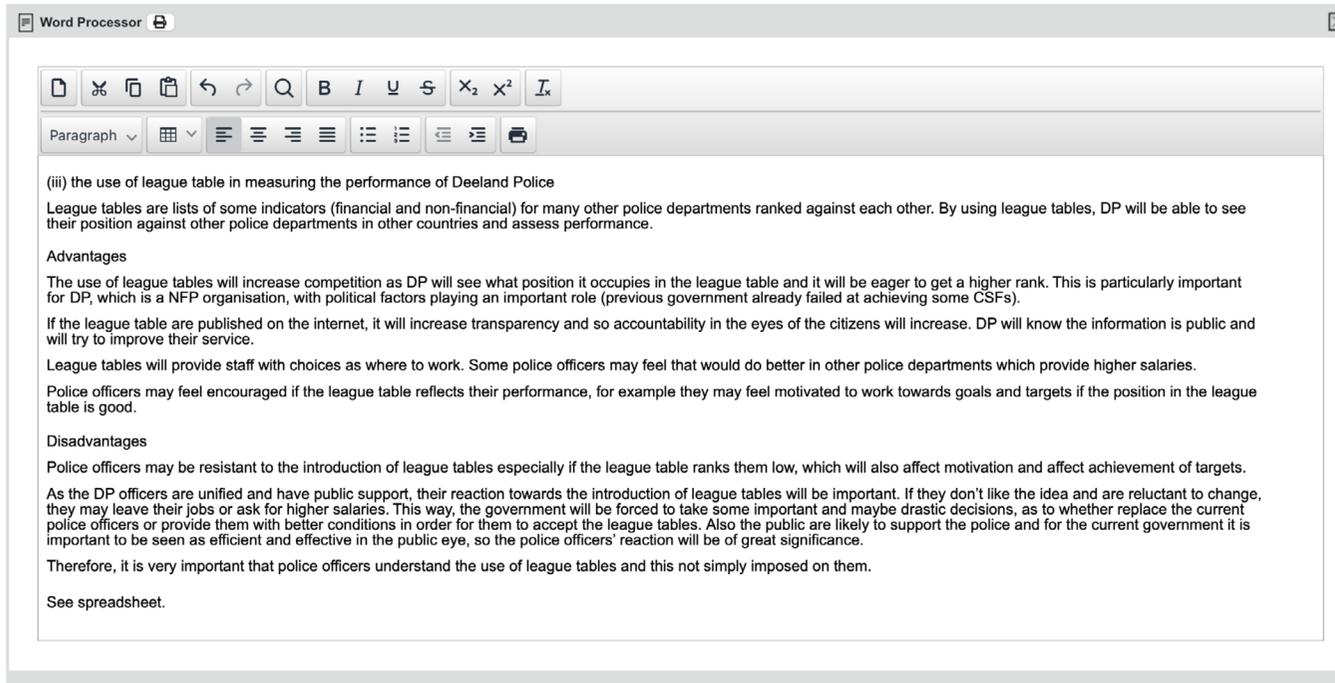
Marks awarded and comments:

2/3

Specimen exam marked answers

Question 1 candidate one

Roll your cursor over each numbered note for the marks awarded and marker's comments to appear in the right side panel:



Word Processor

(iii) the use of league table in measuring the performance of Deeland Police

League tables are lists of some indicators (financial and non-financial) for many other police departments ranked against each other. By using league tables, DP will be able to see their position against other police departments in other countries and assess performance.

Advantages

The use of league tables will increase competition as DP will see what position it occupies in the league table and it will be eager to get a higher rank. This is particularly important for DP, which is a NFP organisation, with political factors playing an important role (previous government already failed at achieving some CSFs).

If the league table are published on the internet, it will increase transparency and so accountability in the eyes of the citizens will increase. DP will know the information is public and will try to improve their service.

League tables will provide staff with choices as where to work. Some police officers may feel that would do better in other police departments which provide higher salaries.

Police officers may feel encouraged if the league table reflects their performance, for example they may feel motivated to work towards goals and targets if the position in the league table is good.

Disadvantages

Police officers may be resistant to the introduction of league tables especially if the league table ranks them low, which will also affect motivation and affect achievement of targets.

As the DP officers are unified and have public support, their reaction towards the introduction of league tables will be important. If they don't like the idea and are reluctant to change, they may leave their jobs or ask for higher salaries. This way, the government will be forced to take some important and maybe drastic decisions, as to whether replace the current police officers or provide them with better conditions in order for them to accept the league tables. Also the public are likely to support the police and for the current government it is important to be seen as efficient and effective in the public eye, so the police officers' reaction will be of great significance.

Therefore, it is very important that police officers understand the use of league tables and this not simply imposed on them.

See spreadsheet.

Marks awarded and comments:

3/3

Specimen exam marked answers

Marks awarded and comments:

Question 1 candidate one

Roll your cursor over each of the highlighted cells in the spreadsheet to view the formulas that were used.

Roll your cursor over each numbered note for the marks awarded and marker's comments to appear in the right side panel:

	A	B	C	D	E	F	G	H	I	J	K	L	M
1			20X5	20X4	20X3								
2													
3		Population ('000s)	11,880	11,761	11,644								
4													
5		Number of police officers	37,930	38,005	38,400								
6		Number of administrative staff	12,320	12,197	12,075								
7		Number of crimes reported in the year	541,735	530,900	520,282								
8		Number of violent crimes reported in the year	108,347	106,180	104,056								
9		Number of crimes solved in the year	297,954	300,934	303,943								
10		Number of complaints	7,624	7,512	7,483								
11													
12													
13		Cost of police force for the year (\$m)	2,248	2,226	2,203								
14		Staff costs (all staff including police officers) (\$m)	2,026	2,103	2,141								
15													
16	Economy	Staff salaries (all staff)	40318	41891	42417								
17		Police officers costs	59,217	58,571	57,370								
18													
19	Efficiency	Population/number of police officers	313	309	303								
20		Complaints/police officer	5.929	5.994	6.022								
21													
22	Effectiveness	Crimes solved/crimes reported	0.55	0.57	0.58								
23		Response to an incident within the allocated time limit	84%	86%	87%								
24													

Notes on **candidate one's** answer to Q1

Summary of marks:

TECHNICAL:	
Part i	14
Part ii	11 (8 on word processor, 3 on spreadsheet)
Part iii	9
TOTAL technical marks	34
PROFESSIONAL:	
Communication	5
Analysis and Evaluation	3
Scepticism	1
Commercial Acumen	3
TOTAL professional marks	12 (max 10)
OVERALL TOTAL	44/50

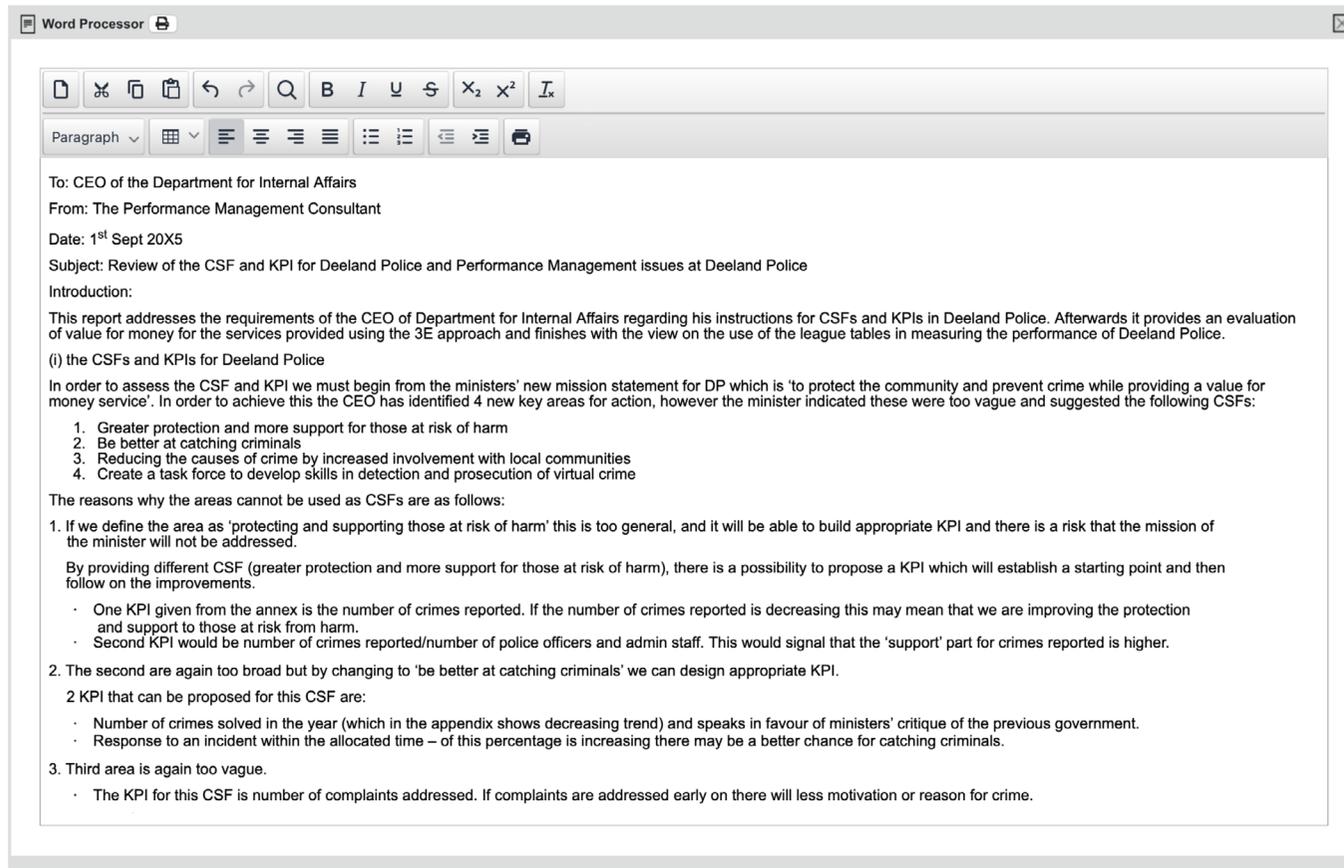


Specimen exam marked answers

Marks awarded and comments:

Question 1 candidate two

Roll your cursor over each numbered note for the marks awarded and marker's comments to appear in the right side panel:



Word Processor

To: CEO of the Department for Internal Affairs
From: The Performance Management Consultant
Date: 1st Sept 20X5
Subject: Review of the CSF and KPI for Deeland Police and Performance Management issues at Deeland Police

Introduction:

This report addresses the requirements of the CEO of Department for Internal Affairs regarding his instructions for CSFs and KPIs in Deeland Police. Afterwards it provides an evaluation of value for money for the services provided using the 3E approach and finishes with the view on the use of the league tables in measuring the performance of Deeland Police.

(i) the CSFs and KPIs for Deeland Police

In order to assess the CSF and KPI we must begin from the ministers' new mission statement for DP which is 'to protect the community and prevent crime while providing a value for money service'. In order to achieve this the CEO has identified 4 new key areas for action, however the minister indicated these were too vague and suggested the following CSFs:

1. Greater protection and more support for those at risk of harm
2. Be better at catching criminals
3. Reducing the causes of crime by increased involvement with local communities
4. Create a task force to develop skills in detection and prosecution of virtual crime

The reasons why the areas cannot be used as CSFs are as follows:

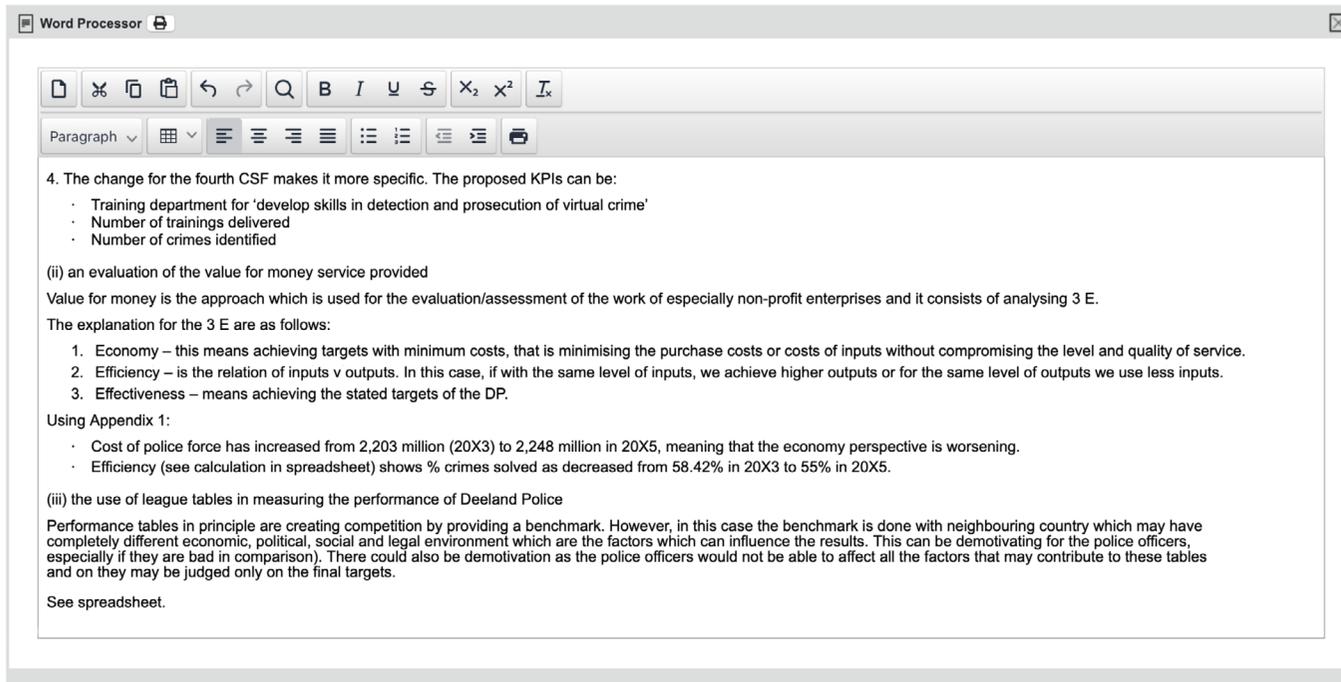
1. If we define the area as 'protecting and supporting those at risk of harm' this is too general, and it will be able to build appropriate KPI and there is a risk that the mission of the minister will not be addressed.
By providing different CSF (greater protection and more support for those at risk of harm), there is a possibility to propose a KPI which will establish a starting point and then follow on the improvements.
 - One KPI given from the annex is the number of crimes reported. If the number of crimes reported is decreasing this may mean that we are improving the protection and support to those at risk from harm.
 - Second KPI would be number of crimes reported/number of police officers and admin staff. This would signal that the 'support' part for crimes reported is higher.
2. The second are again too broad but by changing to 'be better at catching criminals' we can design appropriate KPI.
2 KPI that can be proposed for this CSF are:
 - Number of crimes solved in the year (which in the appendix shows decreasing trend) and speaks in favour of ministers' critique of the previous government.
 - Response to an incident within the allocated time – of this percentage is increasing there may be a better chance for catching criminals.
3. Third area is again too vague.
 - The KPI for this CSF is number of complaints addressed. If complaints are addressed early on there will less motivation or reason for crime.

1/2

Specimen exam marked answers

Question 1 candidate two

Roll your cursor over each numbered note for the marks awarded and marker's comments to appear in the right side panel:



Word Processor

4. The change for the fourth CSF makes it more specific. The proposed KPIs can be:

- Training department for 'develop skills in detection and prosecution of virtual crime'
- Number of trainings delivered
- Number of crimes identified

(ii) an evaluation of the value for money service provided

Value for money is the approach which is used for the evaluation/assessment of the work of especially non-profit enterprises and it consists of analysing 3 E.

The explanation for the 3 E are as follows:

1. Economy – this means achieving targets with minimum costs, that is minimising the purchase costs or costs of inputs without compromising the level and quality of service.
2. Efficiency – is the relation of inputs v outputs. In this case, if with the same level of inputs, we achieve higher outputs or for the same level of outputs we use less inputs.
3. Effectiveness – means achieving the stated targets of the DP.

Using Appendix 1:

- Cost of police force has increased from 2,203 million (20X3) to 2,248 million in 20X5, meaning that the economy perspective is worsening.
- Efficiency (see calculation in spreadsheet) shows % crimes solved as decreased from 58.42% in 20X3 to 55% in 20X5.

(iii) the use of league tables in measuring the performance of Deeland Police

Performance tables in principle are creating competition by providing a benchmark. However, in this case the benchmark is done with neighbouring country which may have completely different economic, political, social and legal environment which are the factors which can influence the results. This can be demotivating for the police officers, especially if they are bad in comparison). There could also be demotivation as the police officers would not be able to affect all the factors that may contribute to these tables and on they may be judged only on the final targets.

See spreadsheet.

Marks awarded and comments:

2/2

Specimen exam marked answers

Marks awarded and comments:

Question 1 candidate two

Roll your cursor over each of the highlighted cells in the spreadsheet to view the formulas that were used.

Roll your cursor over each numbered note for the marks awarded and marker's comments to appear in the right side panel:

The screenshot shows a spreadsheet window titled 'Spreadsheet' with a menu bar (Edit, Format) and a toolbar. The spreadsheet grid has columns A through M and rows 1 through 16. The data is as follows:

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	3E calculations												
2		20X5	20X4	20X3									
3	Number of crimes solved in the year	297,954	300,934	303,943									
4	Number of crimes reported in the year	541,735	530,900	520,282									
5	% of solved crimes	55.00%	56.68%	58.42%									
6													
7	Cost of police force for the year (\$m)	2,248	2,226	2,203									
8	Number of crimes solved in the year	297,954	300,934	303,943									
9													
10	Cost for a crime solved	132.54	135.19	137.97									
11	Number of police officers	37,930	38,005	38,400									
12													
13													
14													
15													
16													
11	Crimes solved per police officer	7.86	7.92	7.92									

Notes on candidate two's answer to Q1

Summary of marks:

TECHNICAL:	
Part i	4
Part ii	5 (3 on word processor, 2 on spreadsheet)
Part iii	4
TOTAL technical marks	13
PROFESSIONAL:	
Communication	3
Analysis and Evaluation	1
Scepticism	0
Commercial Acumen	1
TOTAL professional marks	5
OVERALL TOTAL	18/50

How could this answer have been improved?

1. The requirement for (i) asked for justification of why the CSFs had been refined and justified recommendations of up to TWO KPIs for each CSF. Limited marks were scored because little justification of the points being made was provided. It is important to always add the 'why' to points. KPIs must link to the CSF to gain credit so thinking carefully about what a CSF is trying to achieve is vital when determining how it should be measured.
2. Make sure, if the CEO has made a specific request (in this instance not to offer more than two KPIs per CSF), that this request is followed as this will affect the professional skill of communication.
3. Take care with the calculations to not make silly errors, which could have been avoided with consistent use of the spreadsheet functionality.
4. Answers in APM expect more than just writing down knowledge/definitions and the response to the VFM requirement (part ii) did not supply any evaluation of whether the Deeland Police provided a VFM service. Linking the data together and to the 3Es would have scored more technical and more Analysis and Evaluation marks as the points are being supported with evidence from the scenario.
5. Part (iii) lacks structure in responding to the requirement and so provides a limited answer to the use of league tables. This then limited both the technical and Analysis and Evaluation marks which could be awarded. A better approach would have been to assess the advantages and disadvantages of league tables, including in the latter the impact on police officer behaviour.
6. Generally, the responses are too brief for the number of marks available. Careful consideration should be given to the mark allocation and the number of developed points required to score a passing technical mark. Developing technical answers will also score professional marks as it will more effectively demonstrate the skills being assessed.

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