

ICMAP Pathway Exam (IPE)

June 2022 Examiner's report

General comments

In this report, the examining team share observations from the marking process, highlighting the strengths and weaknesses of candidates who attempted the questions in the June 2022 ICMAP Pathway Exam. Unsuccessful candidates can use this examiner's report as part of their preparation towards future exam attempts, alongside attempting question practice from the specimen questions provided.

Format of the exam

The examination consisted of a 4-hour exam with a single compulsory section comprising of two questions, each consisting of a variety of main tasks. Question 1 consisted of a 50 mark case study focused on Valmine, a partly government-owned mining company. The candidate's role was as Valmine's head of finance. Question 2 consisted of a 50 mark case study focused on Bam-Khan, a company manufacturing clothing made from bamboo fabric. The candidate's role was as a qualified accountant who had recently joined the company as its financial controller.

The marking scheme included 80 technical marks for the correct use and application of technical knowledge. For every element of technical content, answers needed to be applied to the case; repetition of rote learned knowledge attracted minimal marks.

In addition, the marking scheme included 20 marks for Professional skills and competencies. The skill being examined in the requirement should have been evident in how candidates answered the task, although candidates may have drawn on other skills as well when answering. When awarding Professional skills marks, the marker looked primarily at the professional skill being tested in the task requirement, but also looked at the general professionalism that candidates demonstrated (which includes consideration of logical, well presented answers, which avoid unnecessary repetition and answer the question set). The marker also looked for answers to be presented in an appropriate tone for the recipient.

Exam performance

Overall, the standard of candidates' answers was higher than in previous examination diets, with many candidates demonstrating strong technical and professional skills across the syllabus. However, other candidates still appeared to struggle and demonstrated a weak exam technique.

On the whole, there did not appear to be evidence that candidates struggled to complete the exam within the given time or failed to understand the required tasks. As in previous diets, the main reason that unsuccessful candidates did not pass appears to predominantly be linked to a lack of application, for example repeating information from the case study or making generic theory points.

As was the case in previous examination diets, weaker candidates would have benefited from spending more time on the practice questions provided in the learning materials, particularly

attempting these under exam conditions and this remains a key recommendation. The advice on question practice and undertaking tuition from a learning partner does not seem to have been taken up by many of the candidates. The examining team would strongly advise that candidates use these resources to ensure that they have the right overall attitude to IPE, which is intended to lie at a post-graduate level.

Areas answered well

Question 1a) required candidates to analyse the proposed content for the company's first integrated report, and comment on its suitability in accordance with the International <IR> framework.

Candidates generally made a good range of points, and showed that they understood the purpose and contents of a company's integrated report. The strongest candidates made clear recommendations at each section about the changes the company would need to make to its proposed integrated report.

Question 1b)i) required candidates to evaluate a proposal to outsource the transportation of the company's exports to a global shipping company, and conclude whether the company should proceed with the proposal.

While weaker candidates made fewer points mostly centred around the time and cost savings for the company, most candidates made a good range of points including both the financial, strategic and competitive advantages and risks. Most candidates gave a clear recommendation as part of their answer.

Question 1b)ii) required candidates to discuss the factors that the company should consider before entering into a proposed collaboration agreement, including a conclusion.

All the candidates approached this requirement well, made a good range of points and demonstrated the required commercial acumen skills to analyse the proposal and find the issues with it. The vast majority of candidates included an appropriate conclusion within their answer.

Areas answered poorly

Question 1c) required candidates to explain the concept of "fair value" and considers on what basis a fair value could be applied to the company's current fleet of ships.

Candidates demonstrated that they understood the definition of fair value, but few candidates went on to describe the different valuation approaches (market approach / income approach / replacement cost) or make many comments to apply the concepts to the fleet of ships.

Question 2a) required candidates to critically assess the company's mission statement and environmental goals, and to recommend appropriate performance measures that the company could use.

Candidates generally approached the assessment of the mission statement well, but many did not critically assess the environmental goals. Some candidates did suggest appropriate performance measures which could be quantified, but others instead talked about the general theory of what makes an effective performance measure; this did not score any marks.

Question 2c)ii) required candidates to assess why the current bonus scheme for the company's MD was not appropriate, and propose alternative criteria.

Whilst all candidates attempted this requirement, weaker candidates reproduced generic theory on effective remuneration or focused only on one factor such as the total amount of the bonus or whether or not it would be paid. Stronger candidates explored the bonus scheme in more detail, making specific comments in the context of the scenario.