



Think Ahead

# Strategic Business Leader (SBL)

June 2024

## Examiner's report

The examining team share their observations from the marking process to highlight strengths and weaknesses in candidates' performance, and to offer constructive advice for those sitting the exam in the future.

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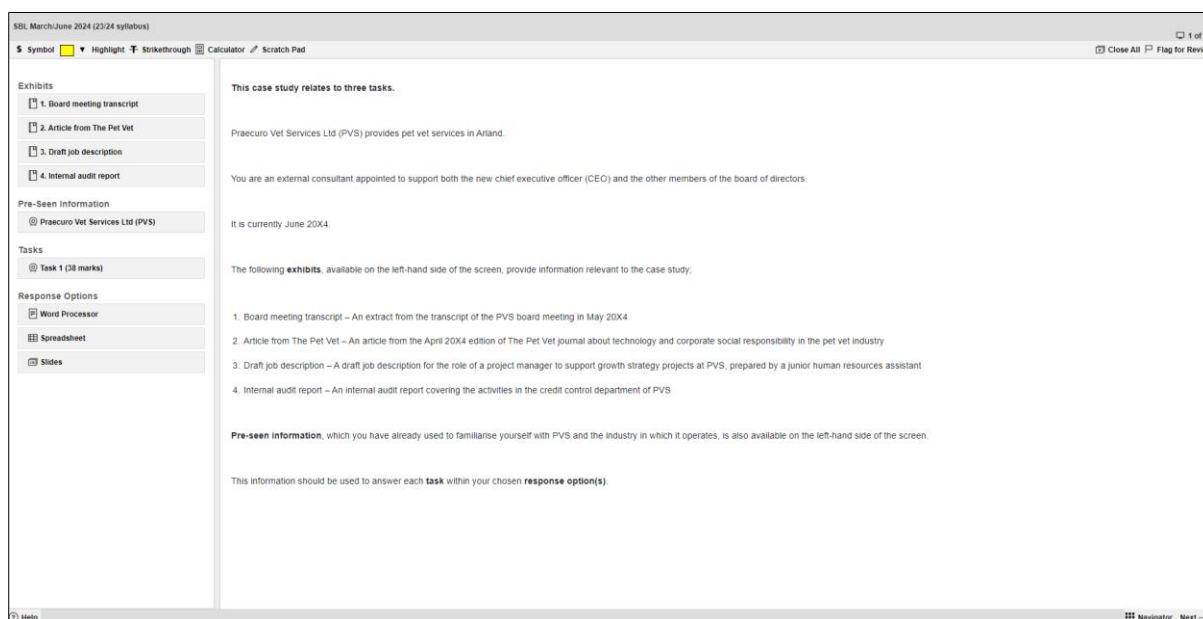


## General comments

This examiner's report should be used in conjunction with the published June 2024 sample exam which can be found on the [ACCA Practice Platform](#).

In this report, the examining team provide constructive guidance on how to answer the various tasks set in the June 2024 exam whilst sharing their observations from the marking process, highlighting the strengths and weaknesses of candidates who attempted these tasks. Future candidates can use this examiner's report as part of their exam preparation, attempting the exam tasks on the [ACCA Practice Platform](#) and reviewing the published answers alongside this report.

## Format of the exam



The examination consisted of a 3 hours and 15 minutes integrated case study exam, comprising three main tasks, about a fictitious company called Praecuro Vet Services Ltd (PVS) which provides pet veterinary (vet) services. The candidate's role throughout the exam was as an external consultant appointed to support both the new chief executive officer (CEO) and the other members of the board of directors.

The marking scheme included 80 technical marks for the correct use and application of technical knowledge drawn from the Strategic Business Leader (SBL) syllabus. For every element of technical content, answers needed to be applied to the case context. The repetition of rote learned knowledge therefore attracted few, if any, marks.

In addition, the marking scheme included 20 marks for five professional skills. The specific skill being examined in the requirement should have been evident in how candidates answered the task, although candidates should have also drawn on other relevant skills when answering. When awarding professional skills marks, markers looked primarily at the professional skill being tested in the task requirement, but also considered the general professionalism that candidates demonstrated (which included whether answers were logical and well-presented, avoided unnecessary repetition and answered the task set). Markers also considered whether the tone of answers was professional and appropriate for the

recipient. Some candidates earned low professional skills marks in task 2b, for example, because of a lack of professionalism in some aspects of their answer.

As candidates take the exam on computer, they are strongly recommended to take mocks on the [ACCA Practice Platform](#) first, to gain experience of dealing with different types of exhibits and to estimate how much they can write in the time allowed. Candidates are strongly advised to assimilate all the guidance published by ACCA for SBL, including the articles, as this could provide invaluable assistance when sitting the exam.

### **Pre-seen information**

The June 2024 SBL exam was the fourth to be supported by pre-seen information. This pre-seen provided candidates with an overview of the pet vet services industry in the fictional country of Arland, and further background information about PVS, an established Arland industry operator. The pre-seen was divided into two discrete but integrated sections, the first focusing on the Arland pet vet services industry and the second on PVS.

The pre-seen is designed specifically to allow candidates to establish a sound understanding of the industry and company context in the exam they will be taking. This should help them analyse and understand the exhibit information that is presented to them on the exam day.

Candidates must fully appreciate that the pre-seen information should not be used to ‘question spot’, however, as the tasks set in the exam are not based on information in the pre-seen. The tasks on exam day will be focused primarily on the information contained in the four examination exhibits, and this is what candidates will be expected to use as the primary source for developing their answers.

Of course, some information within the pre-seen will be useful to support points made in answers (as will be explained in the detailed comments about each task), but candidates must avoid the temptation to copy and paste sections of the pre-seen into their answers. Unfortunately, this practice was relatively widespread in this sitting of the exam. The pre-seen information is designed to assist candidates’ overall understanding of the industry and the company, but it will not itself provide a full source for examination answers. Candidates are expected to develop the information within the pre-seen and explain, for example, its relevance to the task being attempted.

### **Exam performance**

On the exam day, the following four exhibits were presented to candidates which provided additional information relevant to the case study:

1. Board meeting transcript – An extract from the transcript of the PVS board meeting in May 20X4
2. Article from The Pet Vet – An article from the April 20X4 edition of The Pet Vet journal about technology and corporate social responsibility in the pet vet industry
3. Draft job description – A draft job description for the role of a project manager to support growth strategy projects at PVS, prepared by a junior human resources assistant
4. Internal audit report – An internal audit report covering the activities in the credit control department of PVS

Overall, the standard of answers for the June 2024 exam was fairly similar to those for the other three exams which have used the new pre-seen format and shorter exam time.

However, evidence did suggest the following:

- Many candidates made insufficient use of the information presented in the exam exhibits to support their answers, despite these being key to generating relevant points to use in their answers. This was the case in task 1a for example.
- Some candidates continue to answer the task they wish had been set rather than the task set in the exam. This common trait often leads to exam failure and was particularly evident in task 2a.
- Simply copying and pasting pre-seen and exam exhibit information into answers with little or no attempt to relate this content to the task set, so adding no further value. This was the case in most tasks.
- In most tasks there was insufficient application of the relevant information provided in the exam in answers, and an inability to sufficiently develop points in support of arguments made.
- Poor command of the English language was a significant problem, with many candidates unable to make themselves understood to the marker.

It was clear that the vast majority of candidates had read the pre-seen information. The better candidates used the detail in the pre-seen to provide appropriate context for their answers. Candidates must provide well applied answers, but the weaker ones took any feasible detail from the pre-seen and exhibits, however, and then attempted to relate it to their answer. For example, the fact that 60% of new pet owners in Arland in the last five years are aged 16 to 34 (from the pre-seen) was included in many answers to all tasks, irrespective of its relevance.

The most competent candidates integrated and used information from the relevant exhibits, supported by their knowledge and understanding of the pre-seen, whilst selecting relevant technical SBL syllabus knowledge to support the applied points they made. They also demonstrated sound professional skills through analysis, evaluation and commercial judgement, showed scepticism where necessary, and presented well-structured and logical answers.

It was apparent that some candidates had not used the SBL guidance, articles and other resources on the ACCA Hub. It is worth remembering that their use is an important part of exam preparation.

### **Analysing the exhibits**

Candidates must spend enough time reading and understanding the information within the exhibits in the SBL exam. With the introduction of the pre-seen information, candidates should be familiar with the case context before exam day and therefore they should need less time to assimilate the new exhibit information.

As already suggested, some of the answers produced often failed to make sufficient reference to the exhibits or failed to make use of the full range of material in the exhibits. At

the start of the exam candidates need to read all of each exhibit carefully, whilst keeping the requirements of each task in mind, as this will help them to identify which tasks will be drawing on the material in each exhibit. Candidates need to remember that material from more than one exhibit may be relevant when answering each individual task, as was the case in this exam. For example, exhibit 1 should have been used to support answers to task 1a, 2a and 3.

The exhibits:

- Provide the material which underpins the applied points that candidates should be making.
- Include necessary background information and explanation to provide context to candidates' answers.
- Help candidates to decide how to structure their answers.
- Highlight the most important issues that answers should cover.

However, candidates must remember that merely reproducing or restating material taken directly from the exhibits without adequately commenting on it or developing points further specifically in relation to the task set will not score any marks. This point will be further discussed later in the report in relation to candidates' performance on various tasks.

## **Planning**

Candidates must spend sufficient time on planning, to ensure that their answers are:

- Structured logically, in line with the precise wording of the task
- Balanced in terms of the depth of discussion required with the breadth of different points to be made
- Covering the most important points relevant to the task's requirements
- Not padded out with material that does not address the task's requirements
- Not making the same point two (or more) times

When sitting the exam, candidates may find it useful to copy and paste the task requirements into the word processor answer area. They then do not need to keep looking at the task tabs, which may help them to remain more focused on the tasks as they answer them. Any copied requirements should be deleted after the task is answered or clearly separated from the answer, however, to ensure that they do not impact on the professionalism of the candidate's answer.

## **Time management**

The vast majority of candidates were able to answer all three tasks and there was no significant indication that many had run out of time or stamina during this examination. This suggests candidates are continuing to improve their time management skills. Candidates are strongly recommended to attempt mock exams under full exam conditions before the actual exam, to get used to the demands on concentration, effective reading, planning, thinking, and writing that the SBL exam requires.

If candidates use the first 15 minutes of the exam time to read and assimilate the exam exhibits and tasks and produce an outline plan, this leaves 180 minutes (3 hours) to produce answers to all three tasks. On this basis, the 3 hours should have been allocated in relation to the marks assigned to each task (including professional skills marks) as follows:

▪ Task 1a	18 marks	32 minutes
▪ Task 1b	20 marks	36 minutes
▪ Task 2a	20 marks	36 minutes
▪ Task 2b	18 marks	32 minutes
▪ Task 3	24 marks	44 minutes

Adopting this approach ensures candidates have sufficient time to attempt every part of every task, thereby giving them the best chance of passing the exam.

Candidates should also be aware of how time can be poorly used in the SBL exam:

- Wasting time by including material not specifically relevant to the actual task requirements. For instance, some candidates included superfluous material, including formal introductions, in their briefing notes for task 1a.
- Writing elaborate and lengthy plans, resulting in too little time to produce meaningful and complete answers.
- Making the same point more than once in slightly different ways. Markers will not give additional marks for points which are repeated or re-stated, even if they are slightly reworded.

### **Reasons for exam failure**

In most cases, those candidates who failed this exam did so because of:

- Copying and pasting exhibit and pre-seen information into their answer, or paraphrasing it, but failing to then comment on this information or develop it to answer the task requirement.
- Failing to develop points made (that is, not fully explaining why a point made was relevant/important in the context of the task requirements).
- Not applying the PVS case scenario to the points made.
- Demonstrating poor analysis skills (that is, an inability to select, and then appropriately use, relevant information to answer task requirements).
- Wasting time by including irrelevant content.
- Not answering the task that has been asked.
- Failing to provide everything that the requirements specified.
- Failing to respond to the requirements in a professional manner.
- Demonstrating a poor level of technical knowledge; candidates should appreciate that any area of the SBL syllabus could be examined.
- Demonstrating poor time allocation

The application of information provided to answers was quite disappointing, particularly in the light of candidates having access to the pre-seen information in advance of the exam, which should have meant a better understanding of the case context, and therefore better applied answers. However, there was even more evidence of copying and pasting of exhibit information into answers than in some previous sittings, for example in task 3, with little or no attempt to add any further value to this information. Such an approach scores no marks in the SBL exam.

It was also concerning to see candidates still failing to read the task requirements carefully, resulting in them not answering the task that had been asked or not answering the whole requirement. This demonstrates poor examination technique and a lack of professionalism, which also impacts on the professional skills marks awarded. This was particularly the case in task 1a.

### **Technical marks**

Demonstration of technical knowledge alone or explanation of theory does not score marks in the SBL exam. To gain each technical mark, candidates needed to:

- Make points that directly address the requirement(s) of the task, considering the scope of answer required and what the task verb indicated should be provided.
- Show the marker why the points being made are significant/relevant in the context of PVS.
- Consider issues that were specific to the points, choices or decisions detailed in the task requirement.

Generally, up to two marks were available for a well-developed point made. However, candidates are reminded that two marks will only be awarded when the candidate has successfully identified/explained a relevant point AND has then developed this point by:

- Evaluating how significant the point is.
- Using the information provided that relates the point directly to PVS.
- Explaining the consequences for PVS.
- Supporting the point made with relevant examples from the case material.

A failure to develop points made was often evident in this exam. This was particularly notable in Task 1b, for example, where candidates were required to discuss how technological developments could deliver growth for PVS. Candidates were able to identify aspects of technological developments that were beneficial but they were unable to explain how they would enable growth for PVS specifically.

As in previous sittings, candidates often reproduced or repeated information taken from the exhibits with no attempt to add further value. Examples included:

- Reproducing points about the potential joint venture partner (B4P) from exhibit 1 without referencing them to brand or service features (task 1a).
- Reproducing sections of exhibit 2, but not explaining how they enable growth for PVS (task 1b).



- Reproducing the weaknesses in exhibit 4 without explaining the implication of the weakness (task 3).

Candidates who presented purely generic answers were awarded limited marks. This often occurred in answers to task 2a, where many candidates spent time discussing corporate social responsibility (CSR) in general, rather than focusing on stakeholder impact. Candidates must avoid producing answers that merely repeat SBL syllabus knowledge or theory without making any attempt to apply this knowledge to the exam context, and instead focus on answering the specific task set.

### **Professional skills marks**

It was good to see that many candidates had clearly thought about how to earn professional skills marks and attempted to present their answers in the appropriate format, as requested in each task requirement.

Whatever the format required by the task, the target recipient will be helped by an answer that is presented and structured clearly, with headers throughout the answer. Candidates who used such an approach in Tasks 1a, 2a, and 3 in particular often provided better answers than those candidates who didn't. Candidates should remember that they are carrying out a professional task that has a particular purpose, and in this exam acting as a consultant, serving the needs of PVS's directors.

It is important to reiterate the importance of candidates reading the technical and professional requirements together, as this will assist them in formulating their answers as asked and in the correct style and tone and with the correct level of professionalism.

This was particularly important in Task 1a when recommending whether a franchise would be better than a joint venture. The question stem AND the professional skill made it very clear that the recommendation needed to be based on issues raised by the CEO. Many candidates provided a general discussion of franchise arrangements and their advantages and disadvantages, however, and any reference, if there was any, to the specific issues raised by the CEO was made purely by chance.

In Task 1b, the task requirement and the professional skills requirement highlighted that candidates would need to include ethical issues in their discussion. Candidates who made no reference to ethical issues therefore had their professional skills marks capped.



## Specific comments

### Task 1

Task 1 (38 marks)

The new chief executive officer (CEO) has asked the board to suggest ways to grow the business. Strategies to achieve this are to be presented at the next board meeting.

The business development (BD) director is proposing a joint venture between PVS and Best4Pets (B4P) which would involve PVS establishing vet clinics in a number of B4P superstores.

The CEO wants to understand more about the joint venture and the impact it may have on the PVS brand. He is particularly interested in the extent to which the service features that have provided PVS's competitive advantage – location, innovation and quality of service – would be delivered in the joint venture. He has also asked whether a franchise agreement might better protect the PVS brand and reduce financial risk.

The BD director has asked you for help in addressing the issues raised by the CEO.

**(a) Prepare briefing notes for the BD director which assess the impact of the joint venture on the PVS brand and the extent to which PVS's service features would be delivered. Recommend whether a franchise agreement would be better than a joint venture.**

(14 marks)

Professional skills marks are available for demonstrating *evaluation* skills in assessing the issues in relation to the joint venture raised by the CEO.

(4 marks)

The chief medical officer is proposing investment in technological developments to drive growth. He has provided you with an article from The Pet Vet journal which covers examples from the three main technological areas of development in the pet vet industry and has approached you for assistance in drafting a presentation on how these technological developments could deliver growth for PVS. He would also like you to consider the drawbacks, including any ethical issues, of adopting such technological developments.

**(b) Prepare TWO presentation slides, with accompanying notes, for the board which discuss:**

- (i) how technological developments could deliver growth for PVS; and
- (ii) the drawbacks for PVS, including ethical issues, of adopting such technological developments.

(16 marks)

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(16 marks)

Professional skills are available for demonstrating *communication* skills in informing the board of how technological developments could deliver growth and the drawbacks, including ethical issues, of adopting such technological developments.

(4 marks)

## **Task 1a**

### **Technical marks**

The first part of task 1a required candidates to consider how a joint venture would impact PVS's brand and the delivery of its three service features. These service features were set out in the stem to the task and were described in the pre-seen information. The second part required candidates to recommend whether a franchise agreement would be better than a joint venture, specifically, as noted in the stem, in relation to financial risk and brand protection.

Good answers used the requirements of the task for structure and so were divided into three clear sections (impact on brand of a joint venture, the extent to which the three service features would be delivered through a joint venture and a justified recommendation on whether a franchise agreement would be better than a joint venture (with respect to financial risk and brand protection)). Candidates using this structure were then more able to respond to the specific task requirements as the structure provided focus for their answer.

To produce a successful answer, candidates needed to use the detail about Best4Pets (B4P) in exhibit 1 and their knowledge of PVS from the pre-seen, as well as their technical knowledge of joint ventures and franchise agreements. A recent ACCA article, [Growing in partnership](#), provides information about joint ventures and franchise agreements, underlining the importance for candidates of keeping up to date with ACCA's SBL resources.

When candidates did make some attempt to answer the task requirements, there was often a failure to recognise the significance of information in the exhibit and pre-seen. The pre-seen had set out clearly PVS's business model, current strategy, and culture. The contrast between these and the strategic, operational and cultural approaches of B4P as described in the exhibit provided the basis for relevant comments, particularly in relation to brand impact and quality of service.

If candidates did recognise the importance of pre-seen or exhibit information, they often took a cut and paste approach or paraphrased it, however, and included it without explaining its relevance and/or importance. For example, many candidates included extracts or paraphrases of information from the pre-seen about PVS's strategy of differentiation and from the exhibit about the cost leadership approach of B4P, without explaining the significance of the difference between them. This approach does not score marks. Candidates should, as a matter of course, ensure that they add value to any content taken from the pre-seen or exhibit by explaining its relevance to the task set.

On the whole, however, those candidates that did answer the specific task set tended to do relatively well.

- Brand: Many recognised that the location of B4P's stores would help to spread the PVS brand and that B4P's strategy and culture could influence the brand negatively, but otherwise brand impact was covered superficially.
- Location: It was pleasing to see that when addressed specifically, the majority of candidates recognised that the joint venture would help deliver the location service feature.
- Surprisingly few candidates recognised that the joint venture would deliver innovation as it was the first collaboration of its kind. Some noted that B4P's value 'We Dare To Do Things Differently' could engender an innovative culture, however, and/or that its cost leadership strategy would constrain innovation by focusing on cost control.
- Of those candidates who addressed quality of service specifically, some failed to appreciate that the different strategic, operational and cultural approaches of B4P detailed in the exhibit would make it difficult to deliver PVS's quality of service within the joint venture.

Too many candidates had not read the task stem and requirements carefully, however, and so did not answer the requirements, or only answered part of them. This is poor exam

technique which is flagged in every examiner's report and should not be expected of candidates at Strategic Professional. Candidates should recognise that, in a professional workplace, they would be expected to perform the specific task required by their manager, and so would have to listen carefully to, or read carefully, any instructions given. The same attention should therefore be applied to task instructions in the SBL exam. Candidates should ensure that they read the entire task stem very carefully. It has been included for a reason and each piece of information in it is of relevance to the task and hence useful to the candidate.

Most candidates therefore provided general discussions about joint ventures and their advantages and disadvantages for PVS, rather than consider specifically the impact on brand and the delivery of the three service features. Although many candidates did try to relate their comments to the scenario, marks were only awarded for comments relating to these two specific issues and hence many candidates scored only a few marks.

Any discussion of franchise agreements also tended to be a discussion of their advantages and disadvantages, often not applied to PVS and invariably not focused on financial risk and brand protection, which limited the marks many candidates were able to score. Many candidates demonstrated a lack of technical knowledge of franchise agreements, to the extent that some were confused about whether PVS was the franchisor or franchisee, and hence whether PVS would be making or receiving payments with respect to the franchise agreement.

When asked to provide a recommendation, candidates should provide a clear decision. Marks will not be awarded unless the recommendation is explicit. The decision should be supported by a reasoned justification based on the assessment the candidate has provided. A justification that does not align with the assessment, or introduces an array of new issues, will not earn marks. A surprising number of candidates failed to make any sort of recommendation and many did not provide any justification for their decision. Unfortunately, those that were awarded marks for a justification were in the minority.

The main weaknesses in answers to task 1a were:

- Failing to answer some or all the task requirements, which were based on the issues raised by the CEO.
- Not recognising the significance of information in the exhibits and pre-seen, particularly in relation to B4P's strategic, operational and cultural approaches.
- Including information from the pre-seen or exhibit about both PVS and B4P without developing the information to explain its relevance or importance.
- Failing to apply points made to the context of the task, particularly in relation to franchising.
- Demonstrating a lack of technical knowledge of franchise agreements.
- Failing to provide a recommendation and/or not providing a justification for a recommendation.

## **Professional skills marks**

The professional skills requirement also flagged the issues that candidates should be assessing (those 'raised by the CEO') and made it clear that their professional skills marks depended on their assessment of those issues. As most candidates did not assess the issues, professional skills marks were low for most candidates. This highlights the importance of candidates reading the technical and professional skills requirements together.

Most candidates provided briefing notes, the requested presentation format, but it was not always clear they were for the use of the business development director. Whilst there is no set presentation of briefing notes, they do not need to include a formal introduction, an explanation of the situation as-is, or definition of terms. Candidates who included these simply wasted time.

## **Task 1b**

### **Technical marks**

The first slide and accompanying notes in an answer to task 1b should have covered the way in which technological developments could deliver growth for PVS.

The exhibit supporting this task (exhibit 2) described the benefits of various technological developments for the pet vet services industry. Candidates needed to discuss how these benefits could deliver growth for PVS.

Many candidates either copied and pasted information from the exhibit to produce a list of benefits or paraphrased the exhibit information, however, and did not develop their answer to explain how the benefits could deliver growth for PVS.

For example, many candidates noted that telehealth would enable veterinarians to work from home, but few went on to explain how the resulting improvement in staff wellbeing could lead to a reduction in staff turnover, help attract staff and given the issues around staffing in the industry, enable PVS to grow with the additional resource that would be made available. This demonstrates an inability to apply the higher-level skill expected of candidates of developing an answer beyond the exhibit information.

Other candidates simply added phrases such as 'this will increase customer loyalty and retention' or 'this will help with growth' to the end of every benefit, with no application to PVS. It was therefore common for points made not to score marks. Candidates must add value to any content taken from the exhibit, with comments making clear reference to the scenario.

The second slide and accompanying notes should have covered the drawbacks for PVS, including ethical issues, of adopting such technological developments.

Most candidates were able to comment on the cost of technology and the risk of hacking and cybercrime, but few were able to provide any in-depth discussion of drawbacks, in particular ethical issues. Most drawbacks noted were relatively generic with little application to PVS. The need to discuss ethical issues was clearly flagged in the task requirement but few candidates mentioned the ethical issues associated with AI, the ethical issues of knowingly pursuing a strategy that impacts staff wellbeing (the need to become familiar with technology on top of heavy workloads and the lack of face-to-face engagement with clients and patients) and the ethical concerns associated with the use of personal data.

Far too many candidates commented on older clients' inability to engage with and/or use technology. This is possibly a generational perception but one that is fundamentally flawed, and candidates should not make such sweeping assumptions about a large client group without specific evidence. Indeed, there was no evidence in the pre-seen or exhibits to suggest this was the case in Arland in general or the pet vet services industry in particular. Candidates should note no marks will be awarded for comments that claim, for example, that the use of telehealth will attract younger clients as they are users of technology or that the use of technology will lead to PVS losing its older client base as they are not comfortable with it.

Some candidates appeared to have difficulties with allocating their time across this task. Having completed a slide and notes on how technological developments could deliver growth, they then provided only a couple of bullet points on a slide and very brief notes on drawbacks, or sometimes nothing at all. Candidates are reminded of the need to allocate time to each task, as noted earlier, but also to each part of a task too. It would have been sensible to spend half the available time on the first slide and notes and the other half on the second.

The main weaknesses to answers to task 1b were:

- Including information from the exhibit (frequently by cutting and pasting) without developing that information to answer the task requirement to discuss how technological developments can deliver growth.
- Making generic points in relation to delivering growth rather than providing a point applied to PVS's situation.
- Failing to cover ethical issues.
- Making assumptions without evidence.
- Not managing time well across parts of the task.

### **Professional skills marks**

It was pleasing to see that most candidates provided separate notes and slides, using the appropriate answer area. A smaller number of candidates than in previous exams set out their notes under the bullet points of their slides or used the wrong answer area (such as the word processor answer areas for both slides and notes).

The professional skills requirement was to provide an objective communication, which meant to score well candidates had to present a balanced answer, with relatively equal emphasis on the negatives (drawbacks) and positives (how technology could deliver growth for PVS). The requirement was also to cover ethical issues. Although most candidates used the correct presentation format (anything else limited professional skills marks), many failed to provide objective communications due to the limited coverage of delivery of growth and the majority of candidates failed to discuss and hence communicate ethical issues. Professional skills marks were therefore, for most candidates, low.

## Task 2

Task 2 (38 marks)

At the last board meeting the human resources (HR) director proposed that PVS's strategic direction should move from being profit focused to being socially responsible.

He believes that a corporate social responsibility (CSR) strategy would achieve growth due to the positive impact it would have on PVS's key stakeholders. He has asked for your help in preparing for the next board meeting and has directed you to the CSR section of The Pet Vet journal article.

**(a) Prepare briefing notes for the HR director which assess how a corporate social responsibility strategy could impact on each of PVS's key stakeholders and, where appropriate, how this would enable growth in market share.**

(16 marks)

Professional skills are available for *commercial acumen* skills in demonstrating awareness of the impact on PVS's key stakeholders of a corporate social responsibility strategy.

(4 marks)

The strategies that are adopted following discussions at the next board meeting will be delivered as projects. A junior human resources assistant has drafted a job description for a project manager who will be needed to support the projects.

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Professional skills are available for *commercial acumen* skills in demonstrating awareness of the impact on PVS's key stakeholders of a corporate social responsibility strategy.

(4 marks)

The strategies that are adopted following discussions at the next board meeting will be delivered as projects. A junior human resources assistant has drafted a job description for a project manager who will be needed to support the projects.



The HR director has asked you to review the draft job description.

**(b) Prepare an email for the HR director which critically evaluates the project manager job description that the junior human resources assistant has drafted.**

(14 marks)

Professional skills marks are available for demonstrating *scepticism* skills in questioning aspects of the job description, presenting evidence to challenge it in a professional way.

(4 marks)

## Task 2a

### Technical marks

Candidates needed to use information in exhibits 1 and 2, as well as their knowledge of PVS's stakeholders from the pre-seen, to support their answers to this task.

There were some excellent and well thought through answers to this task. Good answers provided a well-structured response using key stakeholders as the basis for that structure, demonstrated sound knowledge of the meaning of CSR, assessed the impact on four or five key stakeholders and detailed (where relevant) how market share would be enabled.

Good answers were a minority, however. Many candidates had only a basic understanding of CSR. A surprising number believed it to be focused entirely on environmental issues. Some described it as strategy to give stakeholders exactly what they wanted (such as higher pay for staff, lower prices for clients). Others provided (often rambling) theoretical discussions on CSR and its merits and demerits, or what PVS needed to do to show CSR, without focusing on stakeholder impact and/or demonstrating any level of application. These candidates were not answering the task set but instead answering the task they hoped they would be set – 'tell me all you know about CSR'.

The range of stakeholders considered by candidates was frequently too narrow - often only two or three were covered. Most candidates who did discuss stakeholders made some attempt at assessing the impact on clients and staff, arguably PVS's most key stakeholders. And those candidates who dealt with these stakeholders first, before commenting on others, demonstrated the professional skill of prioritisation. Many candidates failed to consider other stakeholders specific to the pet vet services industry and PVS, however, such as the industry and regulatory bodies described in the pre-seen material, while others included a range of spurious stakeholders such as the environment and PVS's credit control department. Whilst shareholders are a relevant key stakeholder, some candidates failed to take into consideration the information in the pre-seen that PVS was privately owned and that the shareholders were the founder and the directors. Their comments in relation to the shareholder stakeholder group, for example that CSR activities would attract green investors, were therefore often inappropriate.

Assessment of the impact on stakeholders, when provided, was often very superficial. Many candidates simply repeated the same phrases for each stakeholder. Only a minority of candidates provided an in-depth assessment for a range of relevant stakeholders.

Whilst some candidates were able to describe the different ways in which growth would be enabled depending on the stakeholder being discussed, too many simply added 'this will lead to an increase in market share' or similar after describing the impact, without developing their answers to explain how or why that increase would occur or relating the comment to PVS.

Given that the task was about stakeholders, a few candidates tried to apply Mendelow's Matrix and discuss power and interest and how to engage them (rather than the impact of CSR on them). This invariably wasted time and few, if any, marks were awarded.

There were some answers that consisted largely of content copied and pasted from the exhibits and/or the pre-seen, with little or no extra value added. For instance, some candidates noted from the exhibit that CSR might help PVS to achieve the Higher level of SPP accreditation and either added nothing or noted that it would lead to growth in market share. They failed to develop the exhibit information sufficiently, for example, by commenting that the increased accreditation would attract new customers as it would offer a competitive advantage as only 5% of pet vet organisations hold it.

The main weaknesses in answers to task 2a were:

- Not answering the task requirements but instead 'brain dumping' about CSR.
- Demonstrating a lack of technical knowledge of CSR.
- Covering too narrow a range of stakeholders.
- Insufficiently assessing the impact of CSR on stakeholders.
- Demonstrating an inability to develop information taken from the pre-seen and exhibits.
- Demonstrating an inability to develop generic comments made about growth and to apply them to the scenario.

### **Professional skills marks**

Most candidates had their professional skills marked limited to 1.33 (not so well) because they discussed a limited range of stakeholders and/or missed out the most important ones or because they were unable to articulate clearly how the stakeholders would be impacted.

### **Task 2b**

#### **Technical marks**

The job description that candidates had to critically evaluate was provided in exhibit 3 but candidates also needed to draw on information in the pre-seen relating to PVS's values as evidence of the inappropriateness of some aspects of the job description.

Candidates tended to score relatively well on this task because there were some relatively obvious issues that many picked up on without too much difficulty and because there was a good number of discrete mark-earning points that could be made.

Those candidates who scored well tended to work through the job description on a line-by-line basis, critically evaluating each aspect of the job description. Other candidates who also

considered the contents on a line-by-line basis simply rephrased or elaborated on the contents, however, rather than evaluating them, which invariably led to them being awarded few or no marks.

The request for a critical evaluation required both positive and negative aspects of the job description to be considered. Many candidates focused on the aspects that needed improving, or else could find nothing good about it. Frequently those candidates who did recognise the better aspects of the job description simply stated that they should be included rather than provide an explanation of their importance with respect to the role of the project manager.

Critical evaluation of the aspects of the job description relating to the relationship between and differing roles of a project sponsor and project manager were generally dealt with well, but evaluation of the specifics of a project manager's skills and responsibilities was often poor. For example, there was some confusion about the responsibility for risk, with a surprising number of candidates suggesting that the project manager had no responsibility at all, highlighting what would appear to be a lack of clear understanding of the role of the project manager for many candidates. Topics from the last section of the SBL syllabus will be tested on a regular basis and candidates should ensure they plan their study time carefully so that it provides them with the opportunity to learn and revise across the entire syllabus.

Most candidates picked up on at least one of the ethical issues within the job description (excessive and unpaid overtime working, discrimination, attempting to gain competitors' commercially sensitive information), and some provided excellent explanations of how they should be dealt with.

A surprising and worrying number failed to identify some of the issues, however, particularly in relation to discrimination, with some candidates even stating that the discrimination was acceptable. Some candidates could highlight the issues, but they were unable to provide evidence to explain why they were inappropriate. For example, very few candidates noted the contradiction between some of PVS's values set out in the pre-seen and the requirement for unpaid and potentially excessive overtime, and between the information about career opportunities at PVS detailed in the pre-seen and the discrimination evident in the job description. Evidence for the inappropriateness of the ethical issues, when given, was often weak. For example, some candidates suggested that a failure to pay overtime would result in staff turnover or that attempts should not be made to gain competitors' information otherwise competitors would try to recruit PVS staff and do the same.

There was unfortunately a lack of professionalism in some parts of a surprising number of candidates' scripts. For example, some agreed that the ethical issues should not appear in the job description but then suggested that mothers with young children could be removed from the application process at the CV stage. Others stated that it would be useful to acquire information about competitors but this could impact on PVS's reputation if included in the job description and so they suggested that potential job applicants could be asked at interview about their willingness to share details.

There were some candidates who focused on the ethical issues to the exclusion of the other issues. On the other hand, some focused on the presentation (even to the extent on commenting on the use of upper case), grammar or specific wording of certain requirements in the job description rather than the inaccuracies with respect to responsibilities, say, or the ethical issues.

The main weaknesses in answers to task 2b were:

- Lack of technical knowledge about the role and responsibilities of a project manager.
- Failure to address some of the ethical issues.
- Inability to provide evidence to support points made, particularly with respect to the ethical issues.
- Lack of professionalism in points made.

### **Professional skills marks**

Most candidates were able to show some degree of scepticism by challenging aspects of the job description, but many were let down by unprofessional language or unprofessional suggestions with respect to the ethical issues, as noted above. Some candidates with high technical marks scored 1.33 (not so well) professional skills marks because of the lack of professionalism of their answer.

Weaker candidates often tried to show scepticism by asking questions such as 'do you not think it is wrong to include x..?' without giving any explanation of or consideration to the possible implications of the issue being included in the job description or how that issue should be addressed. Candidates should understand that this is not how to demonstrate scepticism and will not earn marks. Tutors should also make this clear to their students.

### Task 3

Task 3 (24 marks)

The chief finance officer (CFO) has received an internal audit report on the credit control department. The credit control function is centralised and the department is based in PVS's head office. The CFO has asked for your assistance in preparing a report.

Prepare a report for the CFO which:

- (i) **assesses the implications of each of the internal control weaknesses identified in the credit control department; and**
- (ii) **recommends appropriate controls to mitigate these weaknesses.**

(20 marks)

Professional skills marks are available for demonstrating *analysis* skills in considering the findings of the internal audit report, reflecting on their implications and recommending controls to mitigate the weaknesses.

(4 marks)

The chief finance officer (CFO) has received an internal audit report on the credit control department. The credit control function is centralised and the department is based in PVS's head office. The CFO has asked for your assistance in preparing a report.

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(20 marks)

Professional skills marks are available for demonstrating *analysis* skills in considering the findings of the internal audit report, reflecting on their implications and recommending controls to mitigate the weaknesses.

(4 marks)

### Task 3

#### Technical marks

This task relied on exhibits 1 and 4 for information to support an answer, as well as background information in the pre-seen about PVS's Healthcare Plan. The principal exhibit, exhibit 4, was an internal audit report setting out five weaknesses within the credit control department of PVS.

This task was answered well by many candidates, with a pleasing number of candidates providing excellent answers which dealt successfully with both the implications and recommendations for all five weaknesses.

Successful candidates took a methodical approach, using the structure of the exhibit to structure their answer, clearly dealing with each weakness in turn and considering its implications and recommending appropriate mitigating controls. In general candidates dealt well with both implications and mitigations, scoring roughly the same number of marks for each.

Those candidates that provided a list of implications (such as 'increased bad debts') and recommendations (such as 'improve temporary staff training'), with no reference to the specific weakness leading to the implication or requiring the control, invariably scored badly because, without context, the information was not useful to its recipient (the CEO).

Weaker candidates often copied and pasted details of the weakness from the exhibit or paraphrased it, but did not go on to develop the information and discuss its implications. Others provided more discussion of the weakness (such as 'reception staff are not being supervised' (weakness 5) or 'temporary staff do not seem to understand the work allocated to them' (weakness 3)), also without developing the implications from that information. Not only does this waste time but candidates are again reminded that any information copied from the pre-seen or exhibits will not gain any marks unless it is developed. Some candidates also copied and pasted in the information about the Plan from the pre-seen, which again was a waste of time as the CEO would have this background information. Candidates should always bear in mind the recipient of their answer to ensure the information is useful and relevant to the recipient. Information that is not useful will be irrelevant to the answer and will not earn marks.

There was some limited evidence that a small minority of candidates had not managed their time effectively and were unable to complete this final task in the exam. This task was the most well-answered in the exam, and hence those candidates left themselves with too little time for a task that could have earned them a significant number of marks. Candidates are reminded of the importance of time allocation, both in terms of allocating time to individual tasks and allocating time across the parts of a task. In this task, for example, candidates would have been wise to allocate half of the time to implications and half to recommendations.

Controls recommended were sometimes too vague or generic (for example 'install a credit management system' or 'adopt artificial intelligence' or 'apply segregation of duties') and did not explain how these would address the weaknesses identified. A common recommendation for weakness 4 was 'improve communication' or 'undertake training', but many candidates did not expand on this to include, for example, who needed training, what they needed training on or what practical measures could be taken to deliver the training. The inclusion of practical communication measures, for example, such as using emails, a staff intranet or physical notice boards, increases both the usefulness of the information and the professionalism of the report and would be worthy of credit.

It was disappointing to note that a surprising number of candidates were inclined to blame staff (unnecessarily) for some or all of the weaknesses and there was an assumption in many answers that PVS staff would automatically commit fraud if the opportunity arose. For example, some candidates suggested that the reception staff were to blame for information not being communicated to them (weakness 4) and that credit control staff would take

advantage of the control weaknesses to gain financially (weakness 1). These candidates invariably went on to recommend 'punishment' and 'penalties' for staff. Overall, this approach demonstrates very little ability to analyse and assess the weaknesses presented. Candidates were required to recommend improvements to PVS's control system, not single out individuals or groups of staff as scapegoats.

A worrying number of candidates did not know the difference between cashflow and revenue or revenue and profits (often referenced in implications to weaknesses 1 and 5, for example). Candidates are reminded that the syllabuses of Financial Accounting and Financial Reporting are deemed knowledge for SBL. In addition, some candidates did not appear to know basic accounting terminology such as bad debts and/or used vague wording such as 'bad financial performance' or 'increased risk of revenue loss' or 'unpaid amounts'. SBL is part of an accountancy qualification and candidates are expected to be fluent in financial terminology. The failure to use appropriate terminology undermines the professionalism of an answer and can affect the professional skills marks that a candidate can earn.

A number of candidates used a table to answer this question and there is a danger that using tables within answers can limit the amount of detail that can be given, especially if bullet points are used. However, tables were used successfully by many candidates in their answers to this task, with appropriate levels of detail included. The technical and/or professional skills marks of only a few candidates were adversely impacted by using a table due to the lack of detail they included in it, invariably due to the use of bullet points.

There were a number of common issues specific to the individual control weaknesses:

- In general, answers about weakness 1 were good. Most candidates were able to identify that failure to send reminders or regularly chase up outstanding balances would lead to a build-up of receivables, resulting in cash flow issues and probably the write-off of bad debts. But very few identified that the use of a debt collection agency when the client had paid would likely lead to a loss of customers and reputation.
- Candidates' answers to weakness 2 (poor data security) were better than answers for the other weaknesses. Even the weakest candidates managed to detail at least one implication and one recommendation.
- Answers about weakness 3 were often vague and rambling and lacking in application as candidates got sidetracked onto staff turnover and retention. There was a tendency to focus on the impact on the permanent staff of being overworked and stressed rather than the implications for the business, and on rewards to retain staff rather than solutions that would reduce their stress and workload (such as improved staff training for temporary staff) which would then mitigate the implications for the business. A number of candidates recommended that permanent staff should review temporary staff's work, failing to recognise that permanent staff were overworked and under pressure and that this would only add to issues within the department.
- Answers to weakness 4 were not as good as those to the preceding three. This may have been because candidates were running out of time and did not reflect carefully on the information provided in the exhibit. Few noted that the planned cashflow



improvements would fail to materialise because PVS would have to honour the three-month deferral. Most candidates recognised that communication would have to improve but many did not develop this point sufficiently (as noted above) and only a minority recommended practical controls such as displaying terms and conditions in reception or including them on invoices.

- Answers to weakness 5 were the worst. Again, this may have been because candidates were running out of time. Many candidates did not understand what the weakness was, believing it to be staff not doing their job properly or clients not being chased for payment. Few recognised that the weakness would add to the work of the already overstretched credit control department. A small minority of excellent answers recommended letting reception staff have access to systems and information that would enable them to assess whether clients were in arrears.

The main weaknesses in answers to Task 3 were:

- Copying and pasting the weaknesses from the exhibit or paraphrasing them and failing to develop this information further.
- Demonstrating poor time management.
- Blaming staff, assuming staff would commit fraud if given the opportunity and recommending punishments and penalties for them, rather than recommending improvements to PVS's control systems.
- Not knowing the difference between revenue and cash flow and between revenue and profits.
- Not being fluent in financial terminology.
- Misunderstanding the issues highlighted in the report (weaknesses 4 and 5).
- Making generic or vague recommendations.

### **Professional skills marks**

In general candidates scored well as most used the correct format, adopted an appropriate tone and managed to analyse some, if not all, of the weaknesses with a reasonable amount of application. There were very few scripts earning zero professional skills marks as most candidates managed to carry out some level of analysis and recommend a small number of appropriate controls (usually in relation to documenting procedures and providing a formal timetable (weakness 1) and data access (weakness 3)).