

## Strategic Level Case Study – Interim Examiner’s report

### November 2025 – February 2026 exam session

The purpose of this document is to give some feedback on the November 2025 Strategic Case Study (SCS). It also aims to provide some useful advice for candidates preparing to re-sit this exam in February 2026, which will be based on the same pre-seen. It should be borne in mind that none of the unseen information introduced in November 2025 will be relevant to February 2026.

The full set of post-exam materials (applying to both November 2025 and February 2026) including the full examiner’s report, along with model answers, variants and marking schemes, will be available 2 weeks after the February 2026 exam results are released.

#### General comments

This case study was based on a pre-seen scenario which described Cewmlator, a quoted company that manufactures electric cars.

The pre-seen document was made available in advance, describing the electric car industry and Cewmlator’s operations within that industry. It was expected that candidates would reflect that information in their answers. Many answers did, in fact, demonstrate an understanding of the pre-seen material, combining it with the unseen material provided in the question papers.

The following points were noted by the marking team:

<p><b>Develop business strategy</b></p>	<p>Cases frequently present candidates with a strategic opportunity or a strategic problem that must be overcome. There are models that can be applied in developing and justifying recommendations, but it should always be borne in mind that those models are generally used to provide structure in decision making and analysis. They cannot be applied without careful consideration of the scenario and the circumstances that the entity finds itself in.</p> <p>Level 3 answers generally paid attention to both the task requirements and the specific strategic challenges facing Cewmlator. It is important to address task requirements in a manner that is commercially sensitive and that makes appropriate use of the models provided in learning materials. That combination produces well-structured arguments that meet the needs of the Board in arriving at strategic decisions.</p> <p>Level 1 answers often did little more than summarise the models described in study materials. Candidates should recognise that the Strategic Case Study is a simulation of a workplace in which the Board is seeking advice on strategic matters facing the company. The directors of any company are unlikely to be satisfied with a generic</p>
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	summary of textbook material that offers no application to the circumstances.
<b>Evaluate business ecosystem and business environment</b>	<p>Strategic management requires an understanding of the environment in which the industry and the entity operate. Candidates must understand the environment because it can affect the suitability of potential strategic changes. It may also be necessary to make changes in response to developments in the environment.</p> <p>Level 3 answers recognised the strategic issues associated with the developing electric car industry. This is a business that is developing rapidly, with new technologies being developed at a rapid pace. Concerns about the environmental impact of traditional internal combustion engines and the need for their replacement with electric motors is also an issue. Some of the impacts of electric cars are controversial.</p> <p>Level 1 answers often took a simplistic view of the complexities arising from Cewmlator’s strategic position. Those complexities were frequently the focus of the task’s requirements, which meant that answers at this level failed to meet the needs of the Board in addressing the circumstances that the company faced.</p>
<b>Recommend financing strategies</b>	<p>Strategic decisions often involve changes to financial strategy. Financial decisions can be strategic in their own right. Financial management can be a complicated area that can create significant risks when illogical decisions are made. The Board must also be aware of the costs associated with decisions relating to finance because they can have a significant impact on shareholder wealth. Finance is an area of the syllabus that is particularly well supported with models that can be used to optimise decisions. Care must be taken to make appropriate use of those models.</p> <p>Level 3 answers reflected the issues arising from the scenario and offered sensible recommendations. Those recommendations were often justified by drawing upon the models that underpin finance theory. This approach generally provided well-structured arguments. These answers reflected the Board’s need for clear explanations of any recommendations before they can justify pursuing any advice that has been offered.</p> <p>Level 1 answers frequently consisted of summaries of the finance models that are referred to in the syllabus and described in study materials. While these models are often logical, their reliability depends heavily on the context in which they are used. For example, finance models often rely on assumptions concerning the company’s circumstances. If those assumptions are invalid, then the model might not be fully applicable to the scenario. It may be necessary to adapt the model’s logic to reflect reality or even to take a different approach to addressing the problem.</p>

<p><b>Evaluate and mitigate risk</b></p>	<p>Risk management is generally regarded as a strategic issue, with boards being held accountable for identifying and controlling risk. Risk is impossible to eliminate entirely, and it can have an upside which suggests that it is not always desirable to eliminate it. It is, however, possible to understand risks and to appreciate how they can be best mitigated by the entity.</p> <p>Level 3 answers reflected the risks faced by Cewmlator in relation to the industry and the circumstances introduced in the unseen material in the variant. Answers at this level reflected the complex nature of many of the risks faced by manufacturers of electric cars. It can, for example, be argued that electric cars have short lives and can be difficult to recycle. That can complicate stakeholders' understanding of the risks faced by the industry.</p> <p>Level 1 answers often failed to address the specific risks arising from the scenario. Some answers at this level failed to address risks at all, despite them being at the heart of the requirements. Responses to these risks often consisted of assertions that were left unsupported. That approach demonstrated little or no appreciation of the risks affecting the business. Candidates should be aware that senior managers and board members will usually expect a clear and logical explanation for any recommendations that they receive.</p>
<p><b>Recommend and maintain a sound control environment</b></p>	<p>Managing the control environment is an important aspect of the Board's duties. A sound control environment generally implies that the Board has sufficient information to manage the entity effectively. It also implies that the managers, supervisors and staff at all levels are aware that they will be held responsible for any failure to comply with control procedures.</p> <p>Level 3 answers recognised the issues relating to Cewmlator's control environment. Answers at this level responded to the requirement, which might have focussed on any of a variety of issues, including governance, internal control or the effective use of internal audit. The range of areas for focus makes it important to read the requirement carefully and to offer a relevant response.</p> <p>Level 1 answers often offered generic responses to the problems faced by Cewmlator, possibly listing regulations relating to governance without actually providing an effective response to the problems described in the scenario and the needs of the Board, as specified by the task requirement.</p>

## Specific comments to candidates

Before the exam:

1. It is important to understand the subject matter in the syllabus. Clearly, it is necessary to read and reread study materials. Make sure that you understand the materials and how the ideas that they contain might be applied in practice. Recalling content might be helpful, but it is vital that you can take it one step further and apply it to solving problems.
2. Read and reread the pre-seen carefully. It will be available to you throughout the exam and so you can refer to it as and when you require, but it will save time if you can remember the broad issues raised. Tasks set in the SCS will not require detailed recall of the pre-seen, but it can be helpful to refer to particular facts about Cewmlator in your answers in support of your arguments.
3. Make sure that you can write credible answers to case study exams. There is no substitute for attempting past papers and preparing detailed answers. The more papers you attempt, the better you will become at interpreting and answering questions. You can review your answers by asking yourself whether you would feel comfortable in submitting your response to an issue to a director or senior manager.

During the exam:

1. Allocate your time effectively. Make use of the fact that the elements of each task have a percentage that enables you to reflect the number of marks that are available. If a requirement is worth 40%, then you should spend  $40\% \times 60 = 24$  minutes on it before moving on.
2. Answer the question. That might seem obvious, but feedback from markers always highlights that as a problem for many candidates. In the SCS, the questions generally ask for responses that relate to the entity under consideration. If a question asks about a problem facing Cewmlator, then it will be necessary for your answer to reflect the information at your disposal from the pre-seen and from the unseen material in the question. It is unlikely that you could pass the exam without properly revising the syllabus material, but you must apply that material to the specific case in order to score well.
3. Review the free resources available in the [CGMA Study Hub](#). These include a [re-sitters guide](#), [performance descriptors](#) and many more support articles.
4. If you are asked for a recommendation, then give one and justify it. You would expect to be challenged in the real world if your advice consisted of every possible response, with no indication of which was the preferred solution. Your recommendation may differ from the examiner's, but you will still gain credit for your justification if it is relevant and credible.
5. Take care over the inclusion of real-world examples. You may have conducted some research and be able to describe real cases involving the manufacture of electric cars. Real world examples can inform answers provided they are relevant. Unfortunately, candidates often include irrelevant examples, which earn no credit and wastes time that could have been better spent on developing the answer.

Good Luck!