

## Examiner's interim feedback

### November 2020 Operational Case Study Examination

The purpose of this document is to give some feedback on the November 2020 Operational Case Study (OCS). It also aims to provide some useful advice for candidates preparing to re-sit this exam in February 2021. If you are planning to re-sit in February 2021, remember that the exam will be based on the same pre-seen as November 2020. You don't need to know or use any information from the variants of the exam that was taken in November 2020.

#### General comments

The OCS for November 2020 was based on AmaZZing Beds, the largest retailer of beds and mattresses in Eastland, a country in Europe. AmaZZing Beds sells all the major brands of beds and mattresses as well as its own brand which is manufactured at its manufacturing facility in Eastland. The pre-seen, made available in advance, contained information about AmaZZing Beds management, products, customers, manufacturing processes, budgets, financial statements and the industry. Three exam variants based on AmaZZing Beds were made available for November. Each variant gave additional information about AmaZZing Beds and had four 45-minute sections to be completed. Each section was split into two or more sub-tasks, with each sub-task relating to a specific core activity. All the core activities were covered in each variant in line with the OCS blueprint.

The quality of answers in November varied significantly. There were a handful of excellent high-scoring answers where candidates were able to explain technical content and concepts in an accurate, clear, comprehensive, focused and applied way across the whole paper. There were a sizeable number of answers where this was done for some of the tasks but not others, indicating perhaps a lack of preparedness for some topic areas. Most answers were in the mid-range, with many candidates demonstrating gaps in knowledge and understanding as well as either limited application to the scenario or a lack of clarity and depth in explanations. There were also some examples of candidates answering the task that they wish they had been asked rather than what had been asked. There were a sizeable number of very poor-scoring answers, where candidates appeared completely unprepared for sitting this OCS examination.

In November 2020, presentation of answers was generally good. Many candidates used headings and sub-headings and wrote short to the point paragraphs and sentences which were easy to read. Time management did not appear to be an issue for most candidates. Where elements of tasks were not answered this seemed to be because of a lack of knowledge rather than a timing issue.

In relation to the core activities, the following comments are relevant:

<b>A</b>	Prepare costing information for different purposes to meet the needs of managers	This core activity represents between 12% and 18% of the marks available in the OCS blueprint. Candidate performance for this core activity was mixed and depended on the costing topic being assessed. It was pleasing to see that many candidates were able to demonstrate reasonable business awareness of costing issues in a digital environment, although fewer demonstrated reasonable understanding of different costing approaches and how to apply professional scepticism and judgement in the context of the business.
<b>B</b>	Prepare budget information and assess its use for planning and control purposes	This core activity represents between 17% and 25% of the marks available in the OCS blueprint. As was the case in the last session, candidate performance was very dependent on the specific budgeting topic that the tasks were based on. This indicates perhaps a lack of technical knowledge and understanding for some aspects of budgeting. Where a candidate seemed to be on familiar territory, they did overall communicate clearly, although quite often with a lack of application to the specifics of the scenario. Demonstration of business awareness and professional judgement was mixed, although for many candidates this was often limited because of a lack of technical knowledge and understanding.
<b>C</b>	Analyse performance using financial and non-financial information	This core activity represents between 17% and 25% of the marks available in the OCS blueprint. Most candidates were able to communicate clearly, although there were some very muddled answers for variance tasks. Many answers demonstrated reasonable understanding of the business model and its environment in respect of the selection and interpretation of KPIs, although there were some low-scoring answers here where the KPIs suggested were not appropriate for the function being considered. Regarding variances, a sizeable minority of candidates were unable to consistently demonstrate technical understanding of them and to then apply professional scepticism and business awareness when interpreting variances.

<b>D</b>	Apply relevant financial reporting standards and corporate governance, ethical and tax principles	This core activity represents between 12% and 18% of the marks available in the OCS blueprint. As was the case for the last session, answers were either very high scoring or very low scoring, although it was pleasing to see that there were fewer of the very low-scoring answers this session. This marked difference in the quality of answers clearly demonstrates the difference between those candidates who had prepared well and revised technical F1 topics and those that had not. Where the technical knowledge was evident, communication was typically clear and there was a good level of professional scepticism and judgement in applying the regulations to the scenario. Without the technical knowledge and understanding, this was not the case.
<b>E</b>	Prepare information to support short-term decision making	This core activity represents between 17% and 25% of the marks available in the OCS blueprint. As was the case for the previous session, the quality of answers very much depended on the decision-making topic being tested. Where candidates had the technical knowledge and understanding, answers were typically clearly communicated and demonstrated reasonable application of professional judgement and business awareness. Where the technical knowledge and understanding was not evident, answers were low scoring.
<b>F</b>	Prepare information to manage working capital	This core activity represents between 7% and 13% of the marks available in the OCS blueprint. Most candidates seemed to be well prepared for this core activity and for the most part produced answers that were clearly communicated and demonstrated sound business awareness with reasonable application of professional judgement.

### Specific comments to candidates

If you failed in November 2020, this is likely to be because you did not:

- Demonstrate technical knowledge and understanding of technical P1 and F1 subjects. The OCS blueprint is heavily focused on the application of technical knowledge. This has been said many times, but you cannot hope to apply technical knowledge that you do not have.
- Apply the technical knowledge that you did have to the case study scenario. Lack of application limits the score for many traits to level 1 or level 2.
- Answer the task given rather than the task that you wish you had been given and had pre-prepared an answer for.
- Explain rather than describe or simply identify points. Typically, at OCS, we ask for explanation which means that we are looking for depth in answers rather than a list of points.
- Utilise the new information about the business given to you in the exam to provide an applied context to your answers. Generic textbook-style answers and pre-prepared answers based only on the pre-seen will limit your mark.



- Provide an answer to all elements of a task or sub-task. We do not give compensatory marks if one part of your answer is excellent, but another part is missing. If there is “no rewardable material” for a task or sub-task you will score nil.

If you failed in November 2020, there are things that you can do to help improve your chance of future success. Make sure that you:

1. Revise technical topics from P1 and F1 and don't just rely on remembering what you learnt for the OTQ exams.
2. Practise and keep practising past OCS questions (which are all available for use).  
Doing this will help you to:
  - Understand how to apply the technical knowledge gained from your revision in point 1 above.
  - Appreciate how the pre-seen and new information in the exam itself can be utilised to give application in answers.
  - Get used to how the examiner phrases tasks and from reviewing suggested solutions, what they are looking for.
  - Get used to managing your time (assuming that you test yourself under exam conditions) and working under time pressure.
3. In the exam itself:
  - Allocate your time to ensure that all elements of a task are answered and read the task carefully; don't just assume that because it's on a subject that has come up before that the task will be the same. Think to yourself as you are writing: “is this really answering this task?”
  - Plan answers rather than launching straight in. This is best done in the body of the answer box by using headings and short points, which can then be expanded to give a fully explained answer. You also now have the functionality to use tables within your answer box.
  - Make sure that you are explaining rather than just stating or identifying a list of points. Quite often, adding “because” or “this is due to” or “resulting in”, will help you to develop a point which takes it from identification to explanation.
  - Use the information given to you in the exam: it's there for a reason! Don't be afraid to use your common sense and think around an issue if needed.
  - Don't give up.

Good luck!