“We attract, inspire and engage the next generation of CIMA members and CGMAs by increasing awareness among academics and university students through identification of best practices, training, resources and communications, working in partnership with the regions.”

Global CGMA University and Academic Center of Excellence (COE)
The Association of International Certified Professional Accountants
The COE’s role

- Establish consistent global strategy & performance for academic relations that compliments country efforts
- Provide partnership & support
- Develop best practices & tools
- Align priorities & interests
- Develop operational efficiency
What is this document about?

• This document is part of a series that was developed to provide reading materials, case studies, videos, podcasts and other resources that are relevant to a specific exam in the 2019 CIMA Professional Qualification (PQ).

• These resources are aimed to help you understand more about the topics within a specific exam.

• All resources found in this document can be shared with faculty members and students.

• Each resource has a link to the webpage for ease of access. Just click on these icons when you see them in the following slides:
Layout of document

Section 1
- Overview
- Tips on passing the exam

Section 2
- Exam blueprints
- Core activities
- Exam guidance
- Persona in the case study

Section 3
- Case study prototype
- Examiner’s report
- Examples of past cases

Section 4
- Short cases for the class
Overview

Management Case Study Exam
2019 CIMA Professional Qualification Framework

Management Case Study Exam
An integration of three management level syllabus

E2  Managing Performance
Mechanisms to implement decisions & manage people performance

P2  Advanced Management Accounting
Making medium-term decisions; managing costs & performance

F2  Advanced Financial Reporting
Analysing and communicating insights about the performance of the organisation
An integration of three management level syllabus

E2 Managing Performance

P2 Advanced Management Accounting

F2 Advanced Financial Reporting

P2 is the foundation of the Management Case Study exam & therefore, learners should have a strong knowledge of P2 contents
Syllabus in the context of the structure and shape of the finance function

Management level focuses more on technical accounting & increasingly on business, people and leadership skills
Management level summary

- Wider scope
- Integrated within limits
- Financial and quantitative non-financial
- Link present to past and future
- Medium term
- Monitor implementation of decisions

- Internal (whole organisation)
- Lesser detail but broader picture
- Insight
Competencies on completion of the management level

• Able to use data and relevant technology to manage organisational and individual performance

• Translate long term decisions into medium-term plans

• Allocate resources to implement decisions

• Monitor and report implementation of decisions

• Provide feedback up and down the organisation

• Prepare and interpret financial statements to show the performance, position and prospects of their organisations
Highlights of the management level

**E2: Managing Performance**
- A. Business models and value creation
- B. Managing people performance
- C. Managing projects

**P2: Advanced Management Accounting**
- A. Managing the costs of creating value
- B. Capital investment decision making
- C. Managing and controlling the performance of organisational units
- D. Risk and control

**F2: Advanced Financial Reporting**
- A. Financing capital projects
- B. Financial reporting standards
- C. Group accounts
- D. Integrated reporting
- E. Analysing financial statements
The competency framework reflects our findings on how finance professionals are expected to apply accounting and finance skills within the context of the business/organisations in which they operate.

It also reflects for the first time how technology and a digital mindset will be required to affect and influence their own decisions, actions and behaviours and those of their colleagues within the wider organisation.
Tips to pass CIMA case study exams
Tips on passing the case study exam

Set a good mindset
Yes, I can EXCEL!

Improve your typing skills
Ability to think & type (without error) at the same time is a must

Application
Learners are not expected to duplicate the answer in the textbook
Learners are to answer exam questions based on the viewpoint of an employee of the pre-seen company

What is “Persona”?
Tips on passing the case study exam

**Initial mis-understanding of requirements**

Don’t speed read during the exam

Type out sub-headings of the requirements as you read the new materials on exam day

**Subsequent mis-understanding**

Don’t drift into some other requirements when answering the question

**Rely too much on the pre-seen material**

Learners are not required to memorize the information in the pre-seen
Tips on passing the case study exam

**Practice! Practice! Practice!**

Practice questions pertaining to the industry or company in the pre-seen material

Do at least 3 mock exams

**Don’t rely too much on past exam questions when practicing**

Use past variants to familiarize yourself with the way questions are asked but don’t over-practice using them
Tips on passing the case study exam

How much is enough?
Give 3 to 4 points and explain them well for each requirement

One line paragraph does not look professional and will likely not help you to pass

Answer all the requirements of the task
Skipping a question is disadvantageous

Read an examiner’s report for more tips
Exam blueprint
The Management Case Study exam blueprint

• For the first time, under the updated 2019 CIMA Professional Qualification, CIMA is publishing examination blueprints based on the syllabus which set out in detail what is examinable in each of the nine Objective Tests and three Case Study examinations.

• The Blueprints will be published annually, and provide information about the format, structure and weightings of the assessments.

• The current blueprint is effective for the following management case study examinations:
  - November 2019
  - February 2020
  - May 2020
  - August 2020
  - November 2020
  - February 2021
Key features of the blueprints

• Updated annually
• 3 documents, one per level
• 4 sections
  – Overview
  – Case study exam business simulation
  – Objective test representative tasks
  – Appendices (formulas etc.)
Management case study exam dates

Management Case Study exam under the updated PQ commences

19 - 21 Feb 2020

Exam results & feedback on performance

2 April 2020

2020 exam dates
Exam overview

**Role simulation**
Role simulated is that of a finance manager.

More on “Persona”

**Exam format**
- 4 sections (tasks) / 3 hours in total
- 45 minutes each section / equally weighted
- Pre-seen materials on case study will be provided in advance
- 4 exam windows per year

**Pass rates**
CIMA will publish updated case study exam pass rates every quarter
Post exam information

**Marking**
The Case Study
Exams are human marked

**Results**
Available six weeks after the exam

**Grading**
Results will contain the following information:
• Pass
• Fail
• Scaled score: 0 to 150 (80 & above is a pass)
• Grade descriptors are available

**Feedback**
Feedback on performance against each core activity will be provided.
Post exam kit will be available with examiner’s comments on the overall global performance.
Learner’s experience

Analyse the case study material given 7 weeks before exam

Exam day

New information provided during exam to perform a series of tasks
Exam variants

Each case study exam have multiple equivalent version of the examination which are available across the exam window.

From February 2020 onwards, exams will be held over 3 days. Example,
Case study exam pre-seen materials

- Feb 2020: Standalone case
- May 2020: Exam
- Aug 2020: Exam
- Nov 2020: Exam
- Feb 2021: Exam

Same pre-seen case
Examination purpose

• The Case Study Exams are designed to demonstrate mastery of previously acquired knowledge, skills and techniques and the drawing together of these to provide solutions to unstructured problems.

• Each synoptic assessment combines the content covered in the three pillar subjects at the level into a single assessment. Its aim is the “undoing” of the pillar and subject divisions of the syllabus.

• It challenges learners to provide solutions to the type of problems that they would encounter in the workplace.

• Examination tasks will be practical and applied, not theoretical or academic.
“I can” statements

- In the exam blueprint, you will find ‘I can’ statements.
- Each statement is a plain English description of what a CIMA finance professional should know and be able to do i.e. “I can…."

Student

I can evaluate the cost and benefit of....

Great! We are hiring someone who can....

Employer
“I can” statements (cont’d)

- The ‘I Can’ statements, which reflect the competencies of a learner at the end of a Case Study Examination and the representative task statements that emerge from the successful completion of Objective Tests — correspond directly with what employers are looking for and businesses need to transform and thrive.

- The Case Study Examination tests the knowledge, skills and techniques from the three pillars within one simulated scenario and is taken at the end of each level of the CIMA Professional Qualification.

- Candidates are given a fictional Case Study before the examination and are expected to give solutions to the situations and challenges presented within the examination.
Simulating the role of a Finance Manager

I can translate long-term strategy into medium-term, tactical goals, making full use of technologies to derive information.

I collaborate with colleagues from finance and other disciplines to make decisions.

I am aware that the manager’s duties require the exercise of professional judgement and a successful performance requires strong communication skills.

Management Level Exam Blueprint
Core activities of a Finance Manager

Management case study exam
Summary

- Within each Management Case Study Examination, five core activities will be assessed.

- These core activities represent the tasks that are most frequent, critical and important to the role of finance manager.

- By completing the core activities, successful candidates will implicitly demonstrate not just the technical abilities but all the required competencies and the mindset for that level.
Five core activities

A. • Evaluate opportunities to add value

B. • Implement senior management decisions

C. • Manage performance and costs to aid value creation

D. • Measure performance

E. • Manage internal & external stakeholders

Exam weighting

Five core activities mapped to key syllabus areas

A. • Evaluate opportunities to add value

B. • Implement senior management decisions

C. • Manage performance and costs to aid value creation

D. • Measure performance

E. • Manage internal & external stakeholders
Assessment outcome for core activity A

I can select appropriate capital investment appraisal techniques and apply them in order to support capital investment decisions, including product/service development, digital transformation projects and acquisitions.

I can identify and use relevant digital data sources to assist in capital investment decisions.

I can explain which pricing strategies are appropriate.

I can select and implement suitable business models that will create value for stakeholders, including business models in the context of digital ecosystems.

I can analyse the impact of disruptive and digital operating business models in the context of digital ecosystems.

I can explain the relevance of weighted average cost of capital.

A. Evaluate opportunities to add value

Syllabus = E2 P2 F2
Assessment outcome for core activity B

I can apply appropriate project management tools and techniques to effectively manage projects at the appropriate stage in the project life cycle.

I can identify the key project personnel, explain their responsibilities and set appropriate performance measures.

I can select and apply suitable tools and techniques for managing risk and uncertainty in capital projects.

I can select suitable financing sources and explain the characteristics of the different types of funding.

I can recognise the characteristics of high performing teams.

B.

- Implement senior management decisions
Assessment outcome for core activity C

I can advise on the measurement, analysis and reporting on the performance of responsibility centres.

I can analyse the processes needed to ensure employee engagement, empowerment and alignment to enhance individual and team performance.

I can compare leadership styles and identify the most appropriate style to use.

I can use appropriate cost management and cost transformation techniques to manage costs and improve profitability.

I can identify and apply appropriate quality management techniques to enhance value.

I can identify and apply value management techniques to enhance value.

I can apply the techniques that quantify and present risk to stakeholders.
# Assessment outcome for core activity D

I can select and apply suitable tools and techniques for managing risk and uncertainty associated with performance related issues.

<table>
<thead>
<tr>
<th>E2</th>
<th>P2</th>
</tr>
</thead>
</table>

I can select and apply suitable tools and techniques for managing risk and uncertainty in business models.

<table>
<thead>
<tr>
<th>E2</th>
<th>P2</th>
</tr>
</thead>
</table>

I can use the financial statements to assess and report on financial performance and position, interpreting and reporting on a wide range of ratios.

<table>
<thead>
<tr>
<th>F2</th>
</tr>
</thead>
</table>

I can support managers by recommending actions to improve financial performance and position and assessing how suggestions impact on the wider organisational ecosystem.

<table>
<thead>
<tr>
<th>F2</th>
</tr>
</thead>
</table>

I can select appropriate accounting treatments and explain their implications for users of the financial statements.

<table>
<thead>
<tr>
<th>F2</th>
</tr>
</thead>
</table>

D.

- Measure performance
Assessment outcome for core activity E

I can explain the financial reporting implications of additions to the group.

I can explain the behavioural and transfer pricing issues associated with internal trading.

I can explain the implications of Integrated Reporting for the reporting entity and its stakeholders.

I can advise on the communication process.

I can advise on the negotiation process.

I can advise on conflict management.

• Manage internal & external stakeholders
Exam guidance

Management Case Study Exam
General marking guidance

• Candidates are rewarded for what they have demonstrated and not penalized for omissions.

• An answer which does not address the requirements of the task must be awarded no marks.

• The nature of the case study examination tasks means that a range of responses will be valid.

• Markers have to attend extensive training and standardization activities and ongoing monitoring.
Example of marking scheme

This is the new format which we are introducing for 2019 PQ.

There are full sample schemes for each of the question tutorials produced for the 2019 case study exams.
Exam tutorial

Find out what it feels like taking a computer-based CIMA exam at a Pearson Vue center.

CIMA 2019 Professional Qualifications Exam Tutorial (Objective Test and Case Study Exams)
Tables and formulae

Management case study exam – tables and formulae

The following tables will be provided in your Management case study exam:

Present value table

Cumulative present value table

Normal distribution table
Persona in the Management Case Study Exam
Virtual business role play

- Understanding the role in the case study examination can really help learners produce a good answer at the right level for their audience.

- Example:
  - Finance Manager

Refer to pages 15 – 17 “simulating the role” in the Management Level Exam blueprint
Who is your audience?

- Who are you seeking to influence?

Examples:

- Your manager (Finance Director)
- Peers within the finance department and possibly in other departments (you may need to gather information from, or present budget information to)
- Non-financial colleagues.
- External stakeholders and decision-makers
Tips for exam based on your persona

• Think and write from the perspective of who you are (your role).

• Identify what your line manager/audience wants from you (the task requirements), including the depth of detail required.

• Imagine this as a job interview, what would you need to do to show your competence to do the tasks required?

• Remember why you are supplying this information (e.g. to recommend a decision).
Tips for exam based on persona (cont’d)

• Plan how you are going to communicate your response and to whom (format, tone, level of detail and technical complexity).

• Consider what long term measures can be taken for driving performance of the business.

• Consider what the impact may be for other parts of the business, such as other stakeholders and the financial statements (this is where you may be able to demonstrate business and people skills).
Simulating the role of a finance manager

**Ability to monitor and implement strategy**
- Translate long-term strategy into medium-term, tactical goals.

**Ability to collaborate**
- Work with colleagues from finance & other disciplines to formulate optimal recommendations.
- Measure & report on the performance of individuals and divisions.

**Ability to use technology**
- Makes full use of the technologies to derive information that can be of value in evaluating business opportunities.
- Implement cyber technologies to evaluate business processes & to create & enhance value for the company.

**Ability to understand the business**
- Sound understanding of the business environment in the digital ecosystem.
- Evaluate both business risks and opportunities.

**Strong communication skills**
- Communicate effectively with internal colleagues to make decisions.
- Communicate effectively to external decision-makers & exercise professional judgement.

**Understand CIMA Code of Ethics**
- The need to inform key decisions may raise significant ethical dilemmas that must be resolved in a justifiable & professional manner.
Past exam personas – August 2019

You are a financial manager in Cruisecalm’s Head Office.

Your primary responsibilities are associated with management accounting.

You report to the Senior Financial Manager, who reports directly to the Finance Director.
Past exam personas – May 2019

You are a Finance Manager for Jord Homes. You report directly to Jord’s Finance Director.

You work within a small finance team and your primary responsibilities are associated with management accounting. This often requires you to liaise with colleagues from other functional areas, including Production, Sales and Marketing and Human Resources.

The Finance Director is responsible for financial reporting and strategic management, but she delegates some responsibilities to you.
Past exam personas – Feb 2019

You are a financial manager in Crowncare’s head office.

Your primary responsibilities are associated with management accounting.

You report to the senior financial manager, who reports directly to the finance director.
You are a financial manager at Trevel’s Head Office. Your primary responsibilities are associated with management accounting and you report to the Senior Financial Manager who reports directly to the Finance Director.
Case study exam – prototype
2019 syllabus prototype
Examiner’s report – May 2019 exam
Past exam materials

Some past case study exam materials are provided in the following pages.

While there will still be many relevant points to note for the 2019 PQ exams, there is a chance that references might be out of date due to syllabus changes.
Jord Homes manufactures and assembles high-quality prefabricated houses. Jord is based in the prosperous and well developed central European country of Corvola.

House prefabrication is the practice of manufacturing and assembling the components of a house in a factory and then transporting the sub-assemblies to the construction site where the house is to be located.
Questions and answers

Monday Day 1

Tuesday Day 2

Wed Day 3

Thursday Day 4

Friday Day 5

Jord Homes
5 sets of questions & answers
Overall performance for Aug 2019 Management Case Study Exam

• Overall, the standard of answers presented was reasonable, there were, however, many poorly written papers, these candidates demonstrated very little knowledge or application to the scenario.

• The main problem, as usual, was that the candidates were not answering what was asked and were failing to draw on information from the exhibits and the pre-seen.
Skills requirement

• Many candidates seemed confident in the E pillar tasks but were weak in the F pillar tasks and in some of the more technical P pillar tasks.

• It is very important that candidates study all syllabus areas as one weak question can be enough to pull marks down to a fail.

• It was very disappointing to see that some candidates demonstrated a poor understanding of several core syllabus areas, such as most technical areas of financial reporting and some technical areas of management accounting – for example project appraisal and performance measurement.
Cruisecalm is a quoted company that operates a fleet of holiday cruise ships. Cruisecalm is based in Portaro, a major city in Norland.

Portaro offers extensive shipping facilities and is a major business centre. Norland is a developed country that has a high standard of living. The average age of the population is relatively high, with large numbers of citizens who can afford to indulge themselves in expensive holidays.
Cruisecalm
5 sets of questions & answers
Overall performance - May 2019 Management Case Study Exam

• Overall, candidate performance was poorer than expected with some candidates showing little technical ability.

• Candidates continue to demonstrate an awareness of business and of practical management.

• That is clearly desirable, but such knowledge must be coupled with an understanding of the technical syllabus content in order to score well.
Ability to relate to the case study

- Many candidates struggled to relate the P and F Pillar material to the requirements in the scenario.

- There was a tendency for weaker candidates to describe techniques in an abstract manner, without applying them to the circumstances in the case.

- Such an approach did not reflect the requirements of the paper and so marks were lost.
Financial reporting knowledge

- There was an even further deterioration in knowledge of the F Pillar material.
- The concerns expressed in previous reports appear to have been overlooked because many candidates showed very little understanding of the content of the F2 material.
Ability to answer the questions

- Candidates are not reading the questions properly and answering what has been asked.
- Many are guilty of shoehorning in a prepared answer on another topic which is a poor approach.
- Marks are not awarded unless the requirements are addressed.
Other management case study exams
Previous pre-seen materials

- **Crowncare**
  - Feb 2019

- **Grapple**
  - Nov 2018

- **Montel**
  - Aug 2019

- **GSC**
  - Nov 2019
  - Final exam under the 2015 syllabus
Short cases for the classroom
Classroom business game

A proposal has been prepared for the Kadgee Board to review for survival long-term and become more successful financially by undergoing transformational change. However, in order to allow the Kadgee Board time to agree on what direction it should take, you will need to make suggestions on short term measures to cut costs before presenting these to the board (your fellow students and academic staff).
Additional classroom business games

**Business Games**

- Business Game Synopsis
- Paradise Park *(New!)*
- Paradise Park suggested answers
- X-Max Systems *(New!)*
- X-Max Systems suggested answers
- Aedis Homes
- Aedis Homes suggested answers
- JOT Toy Company communication and suggested answers
- JOT Toy ethical dilemma
- JOT Toy ethical dilemma suggested answers
- Kadgee Clothing
- Kadgee Clothing suggested answers

[View Cases At CGMA Academic Partners Website]
Additional tutor support

CIMA 2019 Professional Qualification - Case Study Webinar

Do listen to this webinar
Contact:

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Thank you