Easy Picking Reloaded! How to target the T4 Case Study Exam marks.

Shuaib Masters updates his classical article in the context of your Examiners’ more recent guidance and the current “Papy” case. This article explains how to apply the Case Study Assessment Criteria to help get you that pass!

The origin of the saying, “when you’re up to your armpits in crocodiles, it’s difficult to remember that your initial objective was to drain the swamp” is obscure, but it is apparent that in the “race against time” which many T4 Case Study exam candidates experience, many forget to target the very requirement against which their scripts are marked! They have spent most of their preparation time building themselves up into a frenzy revising the industry setting and the numerous pre-seen analyses available in the tuition providers’ marketplace. They become very familiar with the pre-seen and raise their business awareness of the industry context to the point where they have more to say about various issues than they could possibly manage in the exam, but they often overlook the importance of gaining a thorough understanding of how to achieve the requirements of the assessment criteria.

Adapting Drucker’s famous analogy, rather than using an AK47 in an attempt to mow down every aspect of the pre-seen and every issue in the exam with everything you have ever learnt, I would advise you to focus a telescopic rifle on page 16 of the Papy September/November 2011 exam pre-seen as this summarises each criterion, and the marks available for each, against which your script will marked. Then learn and understand the detailed practical aspects of applying these criteria as a focus for your report plan on the day. To do this, study the Examiner’s article offering a guide to the exam, the best way to prepare for the exam and how your script will be assessed at http://www.cimaglobal.com/Documents/Student%20docs/2010%20syllabus%20docs/T4/FMCasestudyJulAug.pdf and study the latest PEGs (post exam guides) at http://www.cimaglobal.com/Students/2010-professional-qualification/Test-of-professional-competence-in-management-accounting/Study-resources/Exam-guides/

In this article I will aim to help you prepare for the T4 part B examination using my interpretation of your Examiners’ guidance based on my attendances at lecturers’ conferences and workshops together with an analysis of their guidance notes (pre and post past exams) and script reviews brought to me by some candidates as well as the expertise shared by my colleagues in the accountancy training industry.

CIMA have adopted the International Federation of Accountants’ (IFAC) International Education Standard 6 Assessment of Professional Capabilities and Competence Section 7 to establish the Case Study Assessment Criteria. “Candidates need to be able to demonstrate that they:

(a) have a sound technical knowledge of the specific subjects of the curriculum;”

Technical (5 marks)

You will be rewarded technical marks for using relevant business strategy models correctly and performing relevant calculations to support your discussions. There is “no need to force knowledge into your answer”. One of your Examiners has pointed out in the context of a past case that it was really difficult to find a business strategy model that did not apply to that case. A first glance at the current case study (Papy –
Sustainable trading in the supermarket industry reveals, amongst other things, a corporate and business strategy context of a company:

- striving to maintain its competitive advantage in the face of increasing competition
- needing to achieve growth targets to meet institutional shareholder expectations whilst improving its sustainability performance
- undergoing change management under the leadership of the newly appointed CEO
- engaging the internet and e-business.

Exam time constraints should force you to avoid overkill and simply follow the Examiner’s advice in the last PEG (post exam guide) – “It is usually appropriate to limit the technical knowledge displayed to 5 separate items.” It is difficult to foresee an unseen scenario and set of requirements on the day which would not give you the opportunity to display sound technical knowledge from at least 5 of the following analytical tools, management theories and strategic planning models:

- SWOT analysis
- PEST analysis
- Mendelow’s stakeholder matrix
- Porter’s generic competitive strategies in the business and e-business strategy context
- Porter’s value chain analysis in the business and e-business strategy context
- Ansoff’s growth strategies
- Johnson, Scholes and Whittingtons’ SFA (suitability, feasibility, and acceptability) test of the viability of a strategy
- Basic comparative financial ratios
- Motivation theories of Maslow and Herzberg
- McFarlan’s criticality of IT grid
- Carroll’s four part model of CSR (corporate social responsibility) and four possible strategies of social responsiveness
- Lewin’s field force analysis and “ice cube” three-step gradual, planned change model

A report on Papy would look bare if some of these classical tools were not applied.

The most obvious tool, taking a rational approach to your strategic analysis, is a SWOT analysis appendix that brings out the main issues (mainly problems and proposals) in the exam day unseen as well as any major outstanding issues from the pre-seen. The issues that you prioritise for analysis, discussion and subsequent recommendations must appear in your SWOT analysis. Many of my students are able to use the “reading time” to proactively “S-W-O-T” the unseen question paper with their pens within the 20 minutes rather than simply passively reading the unseen. Very early into the 3 hours, they write up the SWOT analysis, say appendix A, and use it as the basis of their prioritisation of main issues statement (see "Prioritisation" below). In the “real world” a SWOT analysis provides a quick, wide ranging, brainstormed analysis strategically positioning the organisation as a precursor to identifying the main problems and proposals that require detailed evaluation and action. The Examiner complained in the last PEG that “some candidates still produce models which they then do not use within their analysis of the issues" and then went on to explain that “it is always appropriate to produce a SWOT analysis. It would be expected that the main issues to be discussed in part (a) of the answer will feature somewhere within the SWOT analysis. The purpose of the SWOT is to assist the candidate to identify the main issues affecting the
A SWOT analysis does not need to be very long. It should be long enough to enable the candidate to state what are the main issues contained in the case which must be addressed within the report. It would be very rare for a case study not to have something under each of the SWOT headings.”

The main tuition providers publish in-depth analyses of the pre-seen material prepared by their technical experts and tutors. However, it is important for a student to practice technical application on past unseen material (the Specimen Exam Paper and the unseen material for September/November 2010 and March/May 2011 are the most relevant for the current Exam approach), and any current mock unseen material published by the leading tuition providers. All candidates should aim to practice past papers against the exam time constraints and, ideally, get these marked/seek expert feedback.

“(b) can apply technical knowledge in an analytical and practical manner;”

Application (15 marks)
A limited ratio analysis of Papy highlighting trends and comparisons, would score within technical and application but an obvious calculation called for by an issue such as an NPV for a proposal will not earn a mark for technical, but will earn marks in application.

Remember, that “on the exam day you will be working for the company described in the pre-seen material...as a management accountant.” “The point of the Application criterion is to assess how well candidates use the techniques, frameworks and calculations to support the analysis of the issues and recommended actions.” This criterion looks at how well you are able to process the given data into useful information by application of your knowledge. This applies to qualitative and relevant financial/numerical data. Take the example of Porter’s generic strategies. Since it applies to several issues, and numerous options are available to Papy, you could do an appendix, e.g.,:
Porter's Generic Strategies applied to identify how Papy competes to gain and sustain competitive advantage

<table>
<thead>
<tr>
<th>BASIS OF COMPETITION</th>
<th>Lower Cost</th>
<th>Differentiation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad Target</td>
<td>Cost Leadership</td>
<td>Differentiation</td>
</tr>
<tr>
<td></td>
<td>Competitive pricing in all outlets with dual pricing</td>
<td>Sustainable and responsible trading including “Fair Trade” labelled products, ethically sourced products and only procuring fish from suppliers who meet international fishing guidelines.</td>
</tr>
<tr>
<td></td>
<td>policy where some products are slightly higher priced at the small convenience stores.</td>
<td></td>
</tr>
<tr>
<td>Competitive Scope</td>
<td>Cost Focus</td>
<td>Differentiation Focus</td>
</tr>
<tr>
<td>Narrow Target</td>
<td>Not relevant in Papy’s context.</td>
<td>Geographic focus of small convenience stores.</td>
</tr>
<tr>
<td></td>
<td>Targeting the socially responsibility, and nutrition and healthy eating conscious.</td>
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This appendix could then be further developed to reflect new information as found in the unseen. Whilst the pre-seen material is important, don’t spend too much time committing your analysis of it to memory as you will have to update and adapt your analysis in the light of the unseen. It is important to recognise that much of the knowledge gained from textbooks does not apply perfectly to real world situations. Sometimes such application will be limited, due to weaknesses and limitations in the model or calculation. Be critical in your analysis, and also point out any limitations. Porter indicated that a business needed to apply a clear competitive strategy, and ran the risk of “being stuck in the middle” if it tried to apply more than one generic strategy at the same time, diluting its resources and failing to satisfy either strategy. When conducting your industry research to facilitate applying “real world” examples to gain diversity marks, Porter’s generic strategies model can be applied to identify competitive strategy options available to Papy. For example, by taking a European national market, the UK perhaps, and positioning each of the major supermarket chains in terms of their dominant competitive strategies – Asda, Morrisons, Aldi and Lidl are clearly cost leaders challenged by Tesco and Sainsbury’s fiercely competitive pricing tactics on
many regular “budget” lines in an increasingly mature market; Waitrose’s emphasis on “quality” challenged by Marks and Spencer, and Tesco and Sainsbury’s quality lines.

You will have neither the time, nor the need, to do a quick appendix on more than two models – in addition to a SWOT. So you may apply the rest of the models directly in your report. Candidates can present their technical knowledge in the form of appendices to the main report and refer to them when discussing the relevant issues in the main report. In the March 2011 PEG, the Examiner highlighted “encouraging greater use of models within the body of the report rather than simply presenting them in an appendix. This also applies in respect of calculations, which should be relevant to the information given in the particular case.”

When using a model, do introduce it and explain its relevance very briefly. For example, “Johnson and Scholes’ SFA (suitability, feasibility, and acceptability) framework will be useful to test the viability of this strategy”, before going ahead with the application. If parts of models, such as 2 elements of 5 forces, are used, you must explain that the application is of "relevant extracts (or elements)" of the model.

The Examiner has consistently pointed out that there is a lot of scope to obtain high marks under Application if candidates prepare accurate supporting calculations. Since the Case Study has a very strong management accounting base, there will be ample opportunity (in fact, the necessity) to carry out relevant supporting calculations. Whether you are doing a paper based or computer based exam, think of presenting the detailed calculations in spreadsheet format, of course drawing your key results and your conclusions into the related discussions within the main body of your report. Spare a moment to highlight limitations and assumptions either as a note in your appendix or within your discussions in the main body. My experience suggests you are likely to require 20 minutes for planning and doing numerical/financial analysis to support a couple of key priority issues. The Examiner warns that weak calculations will put you at a severe disadvantage. In spite of relevance, the Examiner highlights that inaccurate or incomplete calculations limit the opportunity to establish and exploit the case evidence, and the scope for more powerful discussion and recommendation on various alternatives.


“(c) can extract from various subjects the knowledge required to solve many-sided or complex problems;”

Diversity (5 marks)

“Knowledge” is not only about technical knowledge. Displaying your understanding of the industry setting and relevant real world business awareness is an essential aspect of applying knowledge. Of course, name dropping will not work. Your discussion of
industry trends and real world company examples must be used to explain your argument or point.

The last PEG explains that the Diversity criterion “seeks to assess knowledge and understanding of relevant real life situations in the same or similar context as that in which the case is set. It also assesses the recognition of commercial or organisational issues relevant to the situation contained in the case whether or not they occur within the same industry.” Therefore, for planning purposes, to help students remember, I tend to categorise this criterion into “Industry awareness” and “Business awareness”.

Whilst there may only be 5 diversity marks available for displaying knowledge of relevant real life situations within the same or similar context as that in which the case is set, a sound understanding of how the industry operates is essential to passing the Case Study examination. Without it you will be unable to demonstrate good commercial judgement on the day. Without good judgement, you will be unable to offer sensible and realistic recommendations. The leading tuition providers publish researched industry familiarisation data and information covering in-depth analysis including many of the major issues facing the industry. Readily quotable facts to support your discussions covering real life vendors, the supply chain, growth strategies and options of real companies, the impact of economic recession, and legal and ethical issues lends credibility and commercial awareness to your discussions and recommendations.

For this case, you might immerse yourself in the supermarket industry with some focus on how sustainable trading is implemented in this sector. You might try to identify the lifecycle stage and the factors driving it; whether any of the five forces are strong or strengthening and the forces causing this; and the competitive strategies being followed by companies operating in the real world; etc. A diligent student would draw from at least five sources of industry information such as personal networks; visits to similar real-world companies; trade media and news media; internet searching, and professionally produced industry analysis which are sometimes freely available. The title of the current pre-seen case is “Sustainable trading in the supermarket industry” making the obvious focus of your research:

- The supermarket industry, particularly in Europe
- Sustainable trading

The annual reports and reviews of the major listed supermarket chains in the UK are easily found online; these reports and reviews provide real world examples of the competitive, product-market and sustainability strategies adopted by the market leaders and how they are performing. You will find the 5 elements of Tesco’s long-term strategy at http://ar2010.tescoplcl.com/a-business-for-a-new-decade/our-strategy.aspx

An AICPA, CICA and CIMA research study published in December 2010, “Evolution of corporate sustainability practices” at http://www.cimaglobal.com/Documents/Thought_leadership_docs/CIMA_AICPA_CICA_sustainability_report.pdf includes an interesting case study on how “ASDA, Britain’s second largest supermarket, has successfully embedded sustainability in its strategy and has implemented numerous initiatives to save energy, reduce packaging and
remove unnecessary waste from its stores.” Tesco’s corporate responsibility values and initiatives are laid out at http://www.tescoplc.com/corporate-responsibility/ where you can find a quick link to its comprehensive Corporate Responsibility Report 2011 and Marks and Spencer’s sustainability commitments can be found at http://plan.a.marksandspencer.com/about

Useful factsheets, articles and reports on the grocery retailing market can be found at http://www.internationalsupermarketnews.com/

and http://www.igd.com/index.asp?id=1&fid=1&sid=7&tid=26&cid=94

An article at http://www.thegrocer.co.uk/articles.aspx?page=articles&ID=219900 reports that “Tesco’s trial of virtual shopping in a South Korean subway station is set to be expanded next month and could pave the way for similar hi-tech ‘stores’ in the UK. Tesco’s Korean arm Home Plus transformed Seoul’s Hangangjin Station into a ‘virtual supermarket’ by pasting posters of stocked shelves onto platform walls and inviting commuters to ‘shop’ by scanning QR codes with their smartphones. The contents of the shoppers’ ‘virtual baskets’ were later delivered to their homes.”

Categorising the Examiner’s and my own advice on meeting the Diversity criterion, I come up with the following table:

<table>
<thead>
<tr>
<th>Dos</th>
<th>Don’ts</th>
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<tr>
<td>• Do seek to introduce relevant examples at the point where you discuss the issue in your answer.</td>
<td>• Don’t overdo it. (Too many examples, which illustrate the same point, are a waste of time as credit will only be given to a single example that relates to the issue being considered and discussed.)</td>
</tr>
<tr>
<td>• Do target no more and no less than 5 examples.</td>
<td>• Don’t simply “name drop” as the example given must be explained in the context of the point being made.</td>
</tr>
<tr>
<td>• Do introduce relevant examples anywhere applicable in your report - in the introduction, the prioritisation section, discussion of the issues, ethics or within the recommendations. (There is no hard and fast way of doing this).</td>
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“(d) can solve a particular problem by distinguishing the relevant information from the irrelevant in a given body of data;”

Focus (5 marks)

This criterion requires candidates to select the issues that are regarded as the most important and which will be discussed further within the answer. This criterion looks at your ability to sift through the mass of pre-seen and unseen data provided to pick out only those facts that should be used to formulate a valid argument. Focusing on the unseen, dealing with the main issues, using the data to analyse information as input to a model, calculation or support an argument and ignoring relatively minor issues will
enable you to meet this criterion. Most of you will not have a problem handling this
criterion. It is not a separate section of the report and one mark will be awarded for
each of the major issues prioritised and further discussed.

The focus marks are awarded for the candidate’s concentration on the issues
contained in the case. The point is that you must “focus” on relevant items in the case
rather than introduce pre-learned irrelevant material that is brain dumped in the exam.
To come to the exam and produce an answer which includes material which is not
 germane to the unseen material will not attract marks as it will not be sufficiently
 focused.

“(e) can, in multi-problem situations, identify the problems and rank them in the order in
which they need to be addressed;”

Prioritisation (5 marks)

Most candidates have adopted the Examiner’s advice to prepare a separate section in
their main report, selecting the top 4 issues from the SWOT focused on the unseen on
the day. After your introduction and terms of reference, write up a separate section
headed for example “Prioritisation of main issues facing Papy” and place the top 4 in a
priority order with a clear detailed explanation of why they have been ranked in that
order.

There is no negative marking. Obviously, missing a key issue can be costly in that you
will have failed to: prioritise it, evaluate and discuss it, and make suitable
recommendations on it.

Prioritisation and writing up the prioritisation statement that meet “the two things you
must do to gain good marks against this criterion” are skills that you need to develop
through practicing mock unseens and past exam paper unseens. It is important
because it drives the rest of your report on the day. Your issues must be “clearly
prioritised in a logical order” and “you must choose some appropriate rationale for your
prioritisation” – the “two things you must do”.

I have heard of candidates having nightmares about missing the big issue. However,
the Examiners have taken pains in the past to highlight the big issues and well-
prepared candidates have found them to be reasonably obvious. It is unlikely that you
will be able to use a generic criterion to explain the basis of your prioritisation and
ranking. Each priority issue will be important based on the situation described in the
unseen scenario and the basis used to prioritise the issues should be scale of impact
(most significant to least significant), whilst timescale and urgency is an additional
consideration (immediate, short-term to long-term). The degree of risk (highest risk to
lowest risk) does help to assess the scale of impact.

The Case Study specimen and recent examination papers show how the requirements
are split into part (a) (90 marks) and part (b) (10 marks). Candidates must judge for
themselves how much time to devote to the issues contained in a case. There is no set
number of issues – this may vary depending on complexity. However, CIMA are looking
for depth of analysis focusing on quality rather than quantity. Candidates can, and do,
pass the Case Study exam without addressing all of the issues in a case but they will invariably be dealing with issues in an in-depth way. If a student only manages 3 issues in the time available, his or her chances of passing may be reduced but other factors are likely to determine whether that was significant e.g., if they failed to provide any recommendations on any issues. Cases may only have a limited number of issues. It should be recognised that issues are often interconnected and the candidate’s answer should recognise and reflect this.

To summarise the Examiner’s suggested approach:

- Present the priorities early in the answer under its own discrete heading.
- Set out the issues ranked as either 1st, 2nd, 3rd etc.
- Justify each with a **concise** explanation of why you have ranked it in that particular position. The ranking should reflect the impact of the issues on the particular case, which may include its urgency.

Marks will be awarded on the strength of argument presented by the candidate on his/her view of what should be prioritised and, crucially, why they should be in that order, irrespective of the suggested answer.

A final word on this criterion - ensure the priority issues do appear under the appropriate heading in your SWOT analysis.

“(f) appreciate that there can be alternative solutions and understand the role of judgement in dealing with them”;

**Judgement (20 marks)**

Judgement involves discussing the key issues (expanding on important, relevant issues) and **alternative solutions** with some depth (not necessarily volume) bringing out key factors such as RISK. "Judgement" is the WHAT and "Logic" is the WHY. Applying business awareness will also prevent you from making unrealistic comments and will enhance the commercial and professional judgement that you display throughout your report. The Examiner points out that “your analysis of the issues should draw upon and discuss your financial analysis that you prepared earlier (and which is marked in Application)".

It is essential that your report develops and recommends strategic solutions that not only help to resolve specific issues, but also help the organisation to progress.

Past Examiners’ Guidance Notes advise: “you must recognise that, in any strategic situation there is a range of alternatives available to the organisation. You should identify, evaluate and rank these options. Having done this, you must exercise professional judgement in selecting what you think to be the optimal solution.” They further advise that the clues in the pre-seen, and the strategy models of Ansoff’s product/market matrix or Porter’s generic strategies are useful to identify options available. The tests of suitability (involving your SWOT analysis), feasibility (based on cost-benefit analysis) and acceptability (using Mendelow’s stakeholder mapping) will help in evaluating and ranking options.
You will have to be selective to manage your time, but any of these models (if relevant) applied in the context of alternative solutions will also score towards “technical” and “application”.

Clearly some issues are likely to attract more Judgement and Logic marks than others depending on their impact on the case organisation. The Examiners’ intention is that the candidate carries out appropriate analysis and forms approaches to resolving the issues and finally makes recommendations. Insufficient analysis, including numerical and financial analysis, jeopardises the Judgement about a particular issue.

The advice my colleagues and I give our students is that Judgement marks are likely to focus purely on the identified top four or five issues. For each of these, your analysis should incorporate any key figures and real life business awareness points as well as points extracted from the material. It is acceptable for students to present "straw men" when detailing an alternative solution (a first proposal for a solution to a problem, which is offered more as a place to start looking for a solution than as a serious solution for a final action), and then to explain why this would not be appropriate or realistic.

"(g) can integrate diverse areas of knowledge and skills;"

Integration (5 marks)

Recommendations need to be coherent and follow on logically from discussion particularly in judgement. If you do well in the “judgement” and “logic” criteria, you will get a good mark for integration. The markers will look at your report “holistically” (emphasising the importance of your whole report and the interdependence of its parts).

Integration awards marks for the effectiveness and value of the answer to part (a) of the format as reflected in the Specimen T4 Case Study Exam paper, i.e. the report. It is therefore holistic by its nature. The report format only attracts marks in so far as it is contained within the holistic view of the report. The latest post exam guide provides a useful structure for your report explaining in the section on “Integration” the distinct parts into which good answers tend to divide the report.

“(h) can communicate effectively with users by formulating realistic recommendations in a concise and logical fashion;"

Logic (30 marks)

The emphasis here is on presentation and communication of the flow from your discussions of the issues to the ultimate recommendations. “Throughout your answer, the content should be structured in such a way that the arguments you put forward lead logically to your conclusions and recommendations”.

"
If "Judgement" is the WHAT and "Logic" is the WHY, it is important for the recommendations to encapsulate the justification and to finish the recommendations. Recommendations must include justification and steps to implement (implications) such as finance and resources. Whilst it could be a good idea to offer recommendations at the end as they involve allocation of scarce resources which you can only judge in the context of all the recommendations rather than after each issue is discussed in isolation, this approach might not suit everyone. Some candidates seem to lose focus when they leave their recommendations to the end, perhaps putting recommendations in the wrong order or not linking recommendations sufficiently closely to the issues. Sometimes recommendations are also incongruent with the discussion under the Judgement criterion. There is less chance of losing focus if you make the recommendation directly after discussing the issue. However, my advice would be for you to practice past cases and see what works best for you.

Picture the board level person reading your report or the marker going directly to your recommendations and understanding your summarised justification with things to look out for in terms of practical implementation, before reading your discussions to see if they support and underpin the recommendations adequately in a logical manner. Once again, your recommendations must not only help to resolve specific issues, but must also contain recommendations that help the organisation to progress.

Your Examiners have highlighted that demonstrating good communication skills “means that the language you use should be professional and appropriate, avoiding slang and appropriately formal” using suitable format and content. There are “professional marks” available for this.

There will be 10 marks available under Logic for the new part (b) requirement, which is designed to get you to produce a summary from your point of view. Your Examiner points out that “your analysis for question 1 can be used to assist you to prepare your answer for question 2.” You can take the specimen paper answer for part (b) as a guide as to what is acceptable for the presentation slides i.e. no narrative, just bullet points. A narrative was not required in the answer for the specimen exam question as it was intended to be a visual slide presentation. The slides were intended to give the key information and should not be overloaded (running the risk of losing their message). An actual PowerPoint presentation was not required for the specimen exam paper and will not be required in the future - only the contents of the slides. Candidates who sit this exam on PC will not be expected to use PowerPoint to create slides. Part (b) may of course require a variety of communication documents to be produced e.g., draft slides, email, letter. The past four exam papers since and including September 2010 will give you a good idea of what to expect and CIMA has published a comprehensive student support guide at


which provides examples of alternative types of questions that may be asked as part (b) in the T4 Part B Case Study examination and the suggested answers.

Since the narrative is likely to have been required and covered within the answer to part (a), the focus for part (b) is to test the candidate’s ability to communicate effectively. The marks will be awarded based on the candidate’s ability to effectively present the key points in a logical manner. If, for example, part (b) related to numerical or financial information, the candidate should not expect to score high marks if they failed to include this. The 10 marks awarded for part (b) are included within ‘Logic’. If a
student does not attempt the second requirement he/she will have effectively limited his/her maximum potential score to 90 marks (equating to 45 credits for T4 Part B exam). Since part (b) is worth 10 marks, a maximum of 18 minutes should be spent on completing this task.

“and (i) can identify ethical dilemmas.”

Ethics (10 marks)

5 marks are allocated for identifying and evaluating the ethical issues and a further 5 marks for making appropriate recommendations to resolve the issues. This justifies a separate section in your report (say, just before the recommendations section):

- Identifying a range of ethical issues (dimensions and dilemmas)
- Explaining why each of these issues is an ethical issue
- Discussing (critical analysis and evaluation) each issue
- Making recommendations on how the ethical dilemmas can be overcome.

In my opinion, doing the above perfectly for two issues would score you a “Pass” for this criterion.

My advice is to target 2, or possibly 3, issues for this criterion and all of the above can be dealt with within one section of your report. It goes without saying that this is one knowledge topic you should study well. It is important to stress that you must offer advice as well as discussing the ethical issues, to earn pass marks.

Ethics are not about whether the issue is legal or illegal in terms of law. If there is a law in place, the ethical dimension/dilemma falls way. Ethics are also not about commercial aspects. Your Examiners point out in their past Guidance Notes that “to all strategic decisions there is an ethical dimension. Business is about compromise and, necessarily, someone must benefit at the expense of another”. Ethical dimensions and dilemmas have a strong wider stakeholder perspective. Often issues have a business and an ethical content and therefore it is appropriate to bring out both dimensions to highlight the differences as well show the inter-relationship.

Your Examiners also note that “Ethics is a broad topic” covering personal and professional ethics, business ethics, corporate governance and social responsibility issues. You will find a wide range of issues in the unseen and pre-seen to select from, although your initial focus on the day must be the unseen. Mentioning the relevance of CIMA/CCAB/IFAC principles and drawing on real world awareness will score marks.

The candidate needs to anticipate a number of ethical dimensions, dilemmas and dubious practices which may arise in the unseen. The sustainable trading and supermarket industry context of the current Papy Case Study pre-seen gives your Examiner the opportunity to raise numerous ethical issues on the day which have both commercial implications whilst raising serious ethical dilemmas. Some examples of potential ethical issues are:

- Papy currently has targets for its carbon emissions which are measured as “carbon emissions in kilograms (kg) per square metre of sales area”. The new CEO, Lucas Meyer, has announced his intention for Papy to become a more sustainable business. A key supplier may be accused of emitting a high level of carbon emissions highlighting that Papy does not take into account its suppliers’
carbon emissions. The pre-seen does point out that “carbon emissions are generated by suppliers in Papy’s supply chain...Arif Karp also recognises that the majority of carbon emissions...originate from its supply chain. He would like to educate and encourage Papy’s suppliers in order to assist them to reduce their carbon emissions.” The pre-seen also flags up that Papy’s targets for carbon emission reductions are set in an unstructured way and the lack of overall strategy to achieve the reductions.

- Papy is reducing waste and improving recycling but a comparative analysis against competitors may reveal that the competitors are performing much better in this area.
- Papy’s fish suppliers may be found to be in breach of the criteria set in the international fishing industry’s guide to responsible purchasing practices.

The above are examples of potential corporate social responsibility ethical issues. However, your Examiner may also present ethical issues in relation to corporate governance and professional behaviour.

- The leading global consultancy company which Arif Karp used to work for may win a contract for advising Papy how to reduce carbon emissions and improve their corporate social responsibility performance. The pre-seen mentions that “This consultancy company agreed to allow him (Arif) to take this position (Corporate Affairs Director) without serving all of his notice period, as it believed he would bring good publicity for the consultancy group with the work he will undertake at Papy”.
- Suzanna Nec, the CSR Manager, formally submits a grievance to Simona Papy (the HR Director) challenging the new CEO, Lucas Meyer’s view that she (Suzanna) did not have “the skill set required to be appointed to the new role of Corporate Affairs Director” and appointment of Arif Karp who is Lucas’s former colleague and who Suzanna now reports to.

Thinking about how you would evaluate and recommend solutions to such potential ethical dilemmas before the day will help you to present the necessary arguments and firm recommendations to the issues on the day.

**Concluding advice**

Your Examiners have in the past identified the age-old problems for any higher level paper as to the main reasons candidates "lose" marks:

- Answering only part of the question
- Answering the "question" they hoped for
- Writing everything they know about the topic(s)
- Concentrating on "form over content"
- Not providing "firm" recommendations supported by adequate justification.

Your Examiner warns that “providing inaccurate supporting calculations can lead to weak analysis of the issues and poor commercial judgement and could result in poor recommendations. Therefore make sure that your calculations are accurate.”
Your Examiners also noted how the Case Study exam differs from say Strategic level strategy issues in that it is open ended and issues are “grey” rather than “pure black or white”. I would ask students to treat this as an opportunity rather than a problem by deciding how to direct your discussions and controlling the scope, breadth and depth of your report to meet the requirements of the assessment criteria.

Remember that the “dead cert” marks will be relatively easy for the prepared candidate to collect early on: SWOT analysis, prioritisation statement, ethics section, ratio analysis, and numerical calculations from data in the unseen will target a substantial proportion of the marks. The more difficult marks are in respect of “judgement”, “integration”, and “logic”. But many marks within these criteria can also be picked up by reasonable application of relevant technical analysis and real world awareness.

A revision course focused around exam practice mocks with a good CIMA Quality Partner tuition provider who uses Case Study expert tutors will help you to apply your Examiners’ guidance, tame the deadly crocodiles to become cuddly pets, and effectively and efficiently achieve the initial objective of draining the swamp.