

Think Ahead

ACCA

September 2018
to
June 2019

Strategic Business Leader (SBL)

Syllabus and study guide

Guide to structure of the syllabus and study guide

Overall aim of the syllabus

This explains briefly the overall objective of the syllabus and indicates in the broadest sense the capabilities to be developed within the paper.

Relational diagram linking Strategic Business Leader (SBL) with other ACCA exams

This diagram shows direct and indirect links between this exam and other exams preceding or following it. It indicates where you are expected to have underpinning knowledge and where it would be useful to review previous learning before undertaking study.

Main capabilities

The aim of the syllabus is broken down into several main capabilities which divide the syllabus and study guide into discrete sections.

Relational diagram of the main capabilities

This diagram illustrates the flows and links between the main capabilities (sections) of the syllabus and should be used as an aid to planning teaching and learning in a structured way.

Syllabus rationale

This is a narrative explaining how the syllabus is structured and how the main capabilities are linked. The rationale also explains in further detail what the examination intends to assess and why.

Detailed syllabus

This shows the breakdown of the main capabilities (sections) of the syllabus into subject areas. This is the blueprint for the detailed study guide.

Approach to examining the syllabus

This section briefly explains the structure of the examination and how it is assessed.

Study Guide

This is the main document that students, education and content providers should use as the basis of their studies, instruction and materials. Examinations will be based on the detail of the study guide which comprehensively identifies what could be assessed in any examination session. The study guide is a precise reflection and breakdown of the syllabus. It is divided into sections based on the main capabilities identified in the syllabus. These sections are divided into subject areas which relate to the sub-capabilities included in the detailed syllabus. Subject areas are broken down into sub-headings which describe the detailed outcomes that could be assessed in examinations. These outcomes are described using verbs indicating what exams may require students to demonstrate, and the broad intellectual level at which these may need to be demonstrated (*see intellectual levels below).

Intellectual Levels

The syllabus is designed to progressively broaden and deepen the knowledge, skills and professional values demonstrated by the student on their way through the qualification.

The specific capabilities within the detailed syllabuses and study guides are assessed at one of three intellectual or cognitive levels:

Level 1:	Knowledge and comprehension
Level 2:	Application and analysis
Level 3:	Synthesis and evaluation

Very broadly, these intellectual levels relate to the three cognitive levels at which the Applied Knowledge, the Applied Skills and the Strategic Professional exams are assessed.

Each subject area in the detailed study guide included in this document is given a 1, 2, or 3 superscript, denoting intellectual level, marked at the end of each relevant line. This gives an indication of the intellectual depth at which an area could be assessed within the examination. However, while level 1 broadly equates with Applied Knowledge, level 2 equates to Applied Skills level 3 to Strategic Professional, some lower level skills can continue to be assessed as the student progresses through each level. This reflects that at each stage of study there will be a requirement to broaden, as well as deepen capabilities. It is also possible that occasionally some higher level capabilities may be assessed at lower levels.

Learning Hours and Education Recognition

ACCA qualification does not prescribe or recommend any particular number of learning hours for examinations because study and learning patterns and styles vary greatly between people and organisations. This also recognises the wide diversity of personal, professional and educational circumstances in which ACCA students find themselves.

As a member of the International Federation of Accountants, ACCA seeks to enhance the education recognition of its qualification on both national and international education frameworks, and with educational authorities and partners globally. In doing so, ACCA aims to ensure that its qualifications are recognized and valued by governments, regulatory authorities and employers across all sectors. To this end, ACCA qualifications are currently recognized on the education frameworks in several countries. Please refer to your national education framework regulator for further information.

Each syllabus contains between 23 and 35 main subject area headings depending on the nature of the subject and how these areas have been broken down.

Guide to ACCA Examination Structure

The structure of examinations varies within and between levels.

The Applied Knowledge examinations contain 100% compulsory questions to encourage candidates to study across the breadth of each syllabus. These are assessed by a two-hour computer based examination.

The *Corporate and Business Law* exam is a two-hour computer based objective test examination also available as a paper based version.

The other Applied Skills examinations (PM, TX-UK, FR, AA, and FM) contain a mix of objective and longer type questions with a duration of three hours for 100 marks; these questions directly contribute towards the candidate result. These exams are available in computer-based and paper-based formats. Prior to the start of each exam there will be time allocated for students to be informed of the exam instructions.

Computer-based exams

For the Applied Skills (PM, TX-UK, FR, AA and FM) computer-based exams candidates will be delivered an extra 10 marks of objective test content (either five single OT questions or five OT questions based around a single scenario), for which candidates are given an extra 20 minutes. These questions are included to ensure fairness, reliability and security of exams. These questions do not directly contribute towards the candidate's score. Candidates will not be able to differentiate between the questions that contribute to the result and those that do not. All questions have been subject to

ACCA's regulatory approved quality assurance process.

The total exam time is therefore 3 hours and 20 minutes. Prior to the start of the exam candidates are given an extra 10 minutes to read the exam instructions.

Paper-based exams

For paper-based exams 15 minutes are added to the three hours to reflect the manual effort required as compared to computer-based exams. All paper-based and computer-based questions have been subject to the same quality assurance process. There will be time awarded by the invigilator to read the exam instructions.

Strategic Business Leader is ACCA's case study examination at the Strategic Professional level and is examined as a closed book exam of four hours, including reading planning and reflection time which can be used flexibly within the examination. There is no pre-seen information and all exam related material, including case information and exhibits are available within the examination. Strategic Business leader is an exam based on one main business scenario which involves candidates completing several tasks within which additional material may be introduced. All questions are compulsory and each examination will contain a total of 80 technical marks and 20 Professional Skills marks. The detail of the structure of this exam is described in the Strategic Business Leader syllabus and study guide document.

The other Strategic Professional exams are all of three hours and 15 minutes duration. All contain two Sections and all questions are compulsory. These exams all contain four professional marks. The detail of

the structure of each of these exams is described in the individual syllabus and study guide documents.

ACCA encourages students to take time to read questions carefully and to plan answers but once the exam time has started, there are no additional restrictions as to when candidates may start writing in their answer books.

Time should be taken to ensure that all the information and exam requirements are properly read and understood.

The pass mark for all ACCA Qualification examinations is 50%.

Guide to ACCA Examination Assessment

ACCA reserves the right to examine anything contained within the study guide at any examination session. This includes knowledge, techniques, principles, theories, and concepts as specified. For the financial accounting, audit and assurance, law and tax papers except where indicated otherwise, ACCA will publish *examinable documents* once a year to indicate exactly what regulations and legislation could potentially be assessed within identified examination sessions.

For paper based examinations regulation **issued** or legislation **passed** on or before 1 September annually, will be examinable from 1 September of the following year to 31 August of the year after that. Please refer to the examinable documents for the exam (where relevant) for further information.

Regulation issued or legislation passed in accordance with the above dates may be examinable even if the **effective** date is in the future.

The term issued or passed relates to when regulation or legislation has been formally approved.

The term effective relates to when regulation or legislation must be applied to an entity transactions and business practices.

The study guide offers more detailed guidance on the depth and level at which the examinable documents will be examined. The study guide should therefore be read in conjunction with the examinable documents list.

Strategic Business Leader (SBL) Syllabus and study guide

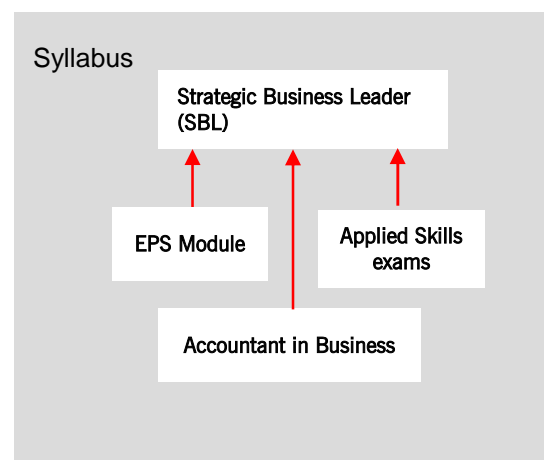
This syllabus and study guide is designed to help with planning study and to provide detailed information on what could be assessed in any examination session.

Aim

To demonstrate organisational leadership and senior consultancy or advisory capabilities and relevant professional skills, through the context of an integrated case study.

Relational diagram

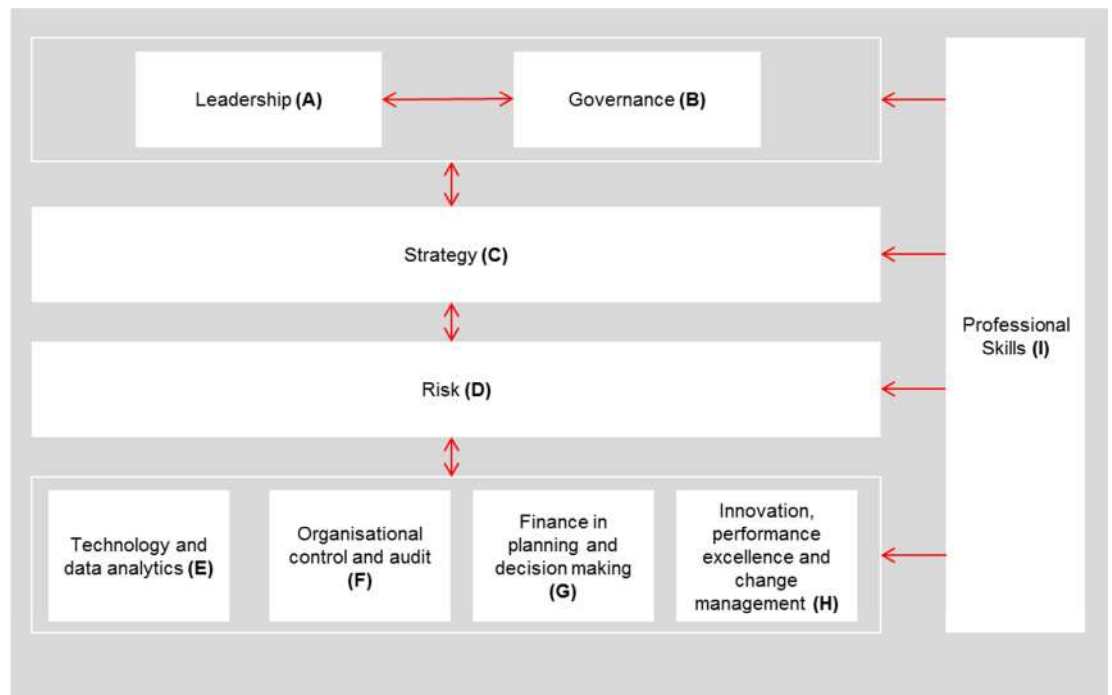
This diagram shows direct and indirect links between this exam and other exams preceding or following it. Some exams are directly underpinned by other exams. These links are shown as solid line arrows. This diagram indicates where you are expected to have underpinning knowledge and where it would be useful to review previous learning before undertaking study.



Main capabilities

On successful completion of this paper, candidates should be able to:

- A Apply excellent leadership and ethical skills to set the 'tone from the top' and promote a positive culture within the organisation, adopting a whole organisation perspective in managing performance and value creation.
- B Evaluate the effectiveness of the governance and agency system of an organisation and recognise the responsibility of the board or other agents towards their stakeholders, including the organisation's social responsibilities and the reporting implications.
- C Evaluate the strategic position of the organisation against the external environment and the availability of internal resources, to identify feasible strategic options.
- D Analyse the risk profile of the organisation and of any strategic options identified, within a culture of responsible risk management.
- E Select and apply appropriate information technologies and data analytics, to analyse factors affecting the organisation's value chain to identify strategic opportunities and implement strategic options within a framework of robust IT security controls.
- F Evaluate management reporting and internal control and audit systems to ensure compliance and the achievement of organisation's objectives and the safeguarding of organisational assets
- G Apply high level financial techniques from Skills exams in the planning, implementation and evaluation of strategic options and actions.
- H Enable success through innovative thinking, applying best in class strategies and disruptive technologies in the management of change; initiating, leading and organising projects, while effectively managing talent and other business resources.
- I Apply a range of Professional Skills in addressing requirements within the Strategic Leader examination and in preparation for, or to support, current work experience.



This diagram illustrates the flows and links between the main capabilities (sections) of the syllabus and should be used as an aid to planning teaching and learning in a structured way.

Rationale

The syllabus for *Strategic Business Leader* acts as the key leadership syllabus at the Strategic Professional level and is a substantial integrated examination. The examination requires candidates to demonstrate a range of professional skills demanded by effective leaders or in advising or supporting senior management in directing organisations. The syllabus therefore combines the main functions of organisations in the context of leadership capability. It draws upon content from all of the Applied Skills Level exams and the Ethics and Professional Skills Module.

The main capabilities of the Strategic Business Leader syllabus assume essential technical skills and knowledge have been acquired at the

Applied Knowledge and Applied Skills Levels where some of the core capabilities will have been learnt, and in particular where governance, internal audit, control, risk, finance, ethics and management will have been introduced in a subject-specific context. In addition the candidate is expected to demonstrate wider professional skills in their answers to requirements set in each examination.

The *Strategic Business Leader* syllabus is covered in nine main sections with leadership, professionalism and ethics and corporate governance used as the initial focus for the rest of the syllabus. Excellent leadership involves having a team of capable and responsible directors, setting an appropriate 'tone from the top' and embedding appropriate corporate and cultural values within the organisation. This is supported by a sound governance structure and effective

management structures. The syllabus begins by examining leadership and having in place responsible and ethical leaders, having an awareness of who they are responsible to. This section also covers personal and professional ethics, ethical frameworks – and professional values – as applied to a senior manager or adviser's role and as a guide to appropriate behaviour and conduct in a variety of situations. Clearly linked to organisational leadership is the existence of an effective governance structure within organisations in the broad context of the agency relationship. This aspect of the syllabus focuses on the respective roles and responsibilities of directors, on the committee structures and on the effective scrutiny of the performance of senior management and their accountabilities, demonstrating this accountability by reporting more widely and holistically to stakeholders under an integrated reporting <IR> framework.

It is only once these fundamental organisational structures and values are in place that it is possible to explore strategy and assess the strategic position of the organisation and to effectively evaluate the options facing the organisation.

Evaluating strategic options, making strategic choices and implementing strategy requires the organisation's leaders, or their advisers, to fully understand the risks involved so the syllabus then examines the identification, assessment, and control of risk as a key aspect of responsible leadership and management. The syllabus also includes a section relating to and applying IT and security controls at all levels of the organisation from strategic considerations including big data, cloud computing and e-business, through to using IT in the management of information, controlling organisations,

and in financial and organisational operations. This section also focuses on the growing importance of 'cyber security'

must demonstrate in the exam which will make them more employable, or if already in work, will enhance their opportunities for advancement.

To support the management of risk the syllabus also addresses organisational control in its wider context, including internal audit, review, internal control, and feedback to implement and support effective governance, including compliance issues related to decision-making and decision-support functions. The syllabus includes financial aspects of managing an organisation, including key finance and management accounting techniques to analyse performance and to support decision-making. Candidates need to be aware of legal issues and of the financial reporting and taxation implications of strategic and investment decisions.

The syllabus finally focuses on innovation, performance excellence and change management to enable organisational success and implement change through effective organisational processes, IT solutions and project management, including the role of new and disruptive technologies in transforming the nature of business analysis and transactions. The last section, which links to all the others, is the Professional Skills section which indicates the range of professional skills that the candidate

Detailed syllabus

A Leadership

1. Qualities of leadership
2. Leadership and organisational culture
3. Professionalism, ethical codes and the public interest

B Governance

1. Agency
2. Stakeholder analysis and organisational social responsibility
3. Governance scope and approaches
4. Reporting to stakeholders
5. The board of directors
6. Public sector governance

C Strategy

1. Concepts of strategy
2. Environmental issues
3. Competitive forces
4. The internal resources, capabilities and competences of an organisation
5. Strategic choices

D Risk

1. Identification, assessment and measurement of risk
2. Managing, monitoring and mitigating risk

E Technology and data analytics

1. Cloud and mobile technology
2. Big data and data analytics
3. E- business: value chain
4. IT systems security and control

F Organisational control and audit

1. Management and internal control systems
2. Audit and compliance
3. Internal control and management reporting

G Finance in planning and decision-making

1. Finance function
2. Financial analysis and decision-making techniques
3. Cost and management accounting

H Innovation, performance excellence and change management

1. Enabling success: organising
2. Enabling success: disruptive technologies
3. Enabling success: talent management
4. Enabling success: performance excellence
5. Managing strategic change
6. Innovation and change management
7. Leading and managing projects

I Professional skills

1. Communication
2. Commercial acumen
3. Analysis
4. Scepticism
5. Evaluation

Approach to examining the syllabus

The *Strategic Business Leader* syllabus is examined using a 100% integrated case study, examining across a breadth of organisational functions. The case content of each exam may use or draw upon some or all of the main elements of the Integrated Reporting <IR> Framework. The examination assesses the technical capabilities that potential leaders need to demonstrate in senior positions within organisations but will also be focused on the following professional skills and behaviours:

- **Communication**
Inform
Persuade
Clarify
- **Commercial acumen**
Demonstrate awareness
Use judgement
Show insight
- **Analysis**
Investigate
Enquire
Consider
- **Scepticism**
Probe
Question
Challenge
- **Evaluation**
Assess
Estimate
Appraise

Each exam will therefore assess both technical skills and the above professional skills. Whilst marks will be awarded for the relevant technical points that candidates make, up to 20% of the total marks within each exam will be allocated to these professional Skills, as determined by the requirements.

The broad structure of each case will give candidates information about an organisation from a range of sources, such as the following:

- Interviews with staff
- Survey results
- Board or organisation reports
- Press articles/website extracts
- Organisation reports and <IR> extracts
- Emails
- Memos

- Spreadsheets
- Pictures
- Figures
- Tables
- Diagrams

The basic structure of each exam will require the candidate to take on various roles of organisational leaders, consultants or advisers to senior management. Therefore the examination could include requirements such as found in the following list:

- Analyse the external environment, the organisation model and the internal governance structures, culture and capabilities of the organisation.
- Assess the position and evaluate the performance of the organisation
- Consider the future outlook for the organisation
- Identify strategic problems and opportunities
- Manage risks and identify appropriate controls
- Make strategic choices
- Evaluate strategic choices using forecasting or decision-making techniques
- Decide on feasible and sustainable solutions using appropriate technologies
- Implement change and innovate responsibly

Guide to exam structure

The examination is based on an integrated case study containing a number of assignments which will vary at each examination. These assignments or tasks may require the candidate to take on different roles, depending on the situation. The number of marks allocated to all these assignments or the sub-parts of these will add up to 100 in total. Within the total marks available, there are 20 Professional Skills marks. Usually each task will contain some professional skills marks which may vary by examination, depending on the requirements. All tasks must be completed.

The examination is of 4 hours duration, but this includes Reading, Planning and Reflection time (RPRT). This time can be used flexibly at any time during the exam.

Guidance on learning hours

The *Strategic Business Leader* examination has a broader syllabus than other exams at the Professional Qualifying Level. The assessment style as a fully integrated exam and the substantial use of Professional Skills marking to support technical marks, requires more teaching and learning time than in the other exams.

The additional time is required for the following:

1. To cover the broader syllabus content
2. To allow adequate practice time for case study assessment and revision.

3. To encourage and develop the demonstration of professional skills to support the award of Professional Skills marks.

In broad terms it is recommended that Education Providers and students should spend 50% more learning time in preparation for this examination than normally required for other exams at this level. This includes direct contact time and guided learning time where a taught programme is delivered, or self-study and revision time where the student is self-taught or uses distance-learning programmes.

Study Guide

A Leadership

1. Qualities of leadership

- a) Explain the role of effective leadership and identify the key leadership traits effective in the successful formulation and implementation of strategy and change management.^[3]
- b) Apply the concepts of entrepreneurship and 'intrapreneurship' to exploit strategic opportunities and to innovate successfully.^[3]
- c) Apply in the context of organisation governance and leadership qualities, the key ethical and professional values underpinning governance.^[3]

2. Leadership and organisational culture

- a) Discuss the importance of leadership in defining and managing organisational culture.^[3]
- b) Advise on the style of leadership appropriate to manage strategic change.^[2]
- c) Analyse the culture of an organisation using the cultural web, to recommend suitable changes.^[3]
- d) Assess the impact of culture and ethics on organisational purpose and strategy.^[3]

3. Professionalism, ethical codes and the public interest

- a) Evaluate organisational decisions using the Tucker 5 question approach.^[2]
- b) Describe and critically evaluate the social responsibility of accountants acting in the public interest.^[3]
- c) Assess management behaviour against the codes of ethics relevant to accounting professionals including the IESBA (IFAC) or professional body codes.^[3]
- d) Analyse the reasons for and resolve conflicts of interest and ethical conflicts in organisation.^[3]
- e) Assess the nature and impacts of different ethical threats and recommend appropriate safeguards to prevent or mitigate such threats.^[3]
- f) Recommend best practice for reducing and combating fraud, bribery and corruption to create greater public confidence and trust in organisations.^[3]

B Governance

1. Agency

- a) Discuss the nature of the principal-agent relationship in the context of governance.^[3]
- b) Analyse the issues connected with the separation of ownership and control over organisation activity.^[3]

2. Stakeholder analysis and social responsibility

- a) Discuss and critically assess the concept of stakeholder power and interest using the Mendelow model and apply this to strategy and governance.^[3]

- b) Evaluate the stakeholders' roles, claims and interests in an organisation and how they may conflict.^[3]
- c) Explain social responsibility and viewing the organisation as a 'corporate citizen' in the context of governance.^[2]

3. Governance scope and approaches

- a) Analyse and discuss the role and influence of institutional investors in governance systems and structures, including the roles and influences of pension funds, insurance companies and mutual funds.^[2]
- b) Compare rules versus principles based approaches to governance and when they may be appropriate.^[3]
- c) Discuss different models of organisational ownership that influence different governance regimes (family firms versus joint stock company-based models) and how they work in practice.^[2]
- d) Describe the objectives, content and limitations of, governance codes intended to apply to multiple national jurisdictions.^[2]
 - i) Organisation for economic cooperation and development (OECD) Report (2004)
 - ii) International corporate governance network (ICGN) Global Governance Principles (2014)

4. Reporting to stakeholders

- a) Discuss the factors that determine organisational policies on reporting

to stakeholders, including stakeholder power and interests.^[3]

- b) Assess the role and value of integrated reporting and evaluate the issues concerning accounting for sustainability.^[2]
- c) Advise on the the guiding principles, the typical content elements and the six capitals of an integrated report, and discuss the usefulness of this information to stakeholders.^[3]
- d) Describe and assess the social and environmental impacts that economic activity can have (in terms of social and environmental 'footprints' and environmental reporting).^[3]
- e) Describe the main features of internal management systems for underpinning environmental and sustainability accounting including EMAS and ISO 14000.^[2]
- f) Examine how the audit of integrated reports can provide adequate assurance of the relevance and reliability of organisation reports to stakeholders.^[2]

5. The board of directors

- a) Assess the major areas of organisational life affected by issues in governance.^[3]
 - i) duties of directors and functions of the board (including setting a responsible 'tone' from the top and being accountable for the performance and impacts of the organisation)
 - ii) the composition and balance of the board (and board committees)

- iii) relevance and reliability of organisation reporting and external auditing
 - iv) directors' remuneration and rewards
 - v) responsibility of the board for risk management systems and internal control
 - vi) organisation social responsibility and ethics.
- b) Evaluate the cases for and against, unitary and two-tier board structures.^[3]
 - c) Describe and assess the purposes, roles, responsibilities and performance of Non-Executive Directors (NEDs).^[3]
 - d) Describe and assess the importance and execution of, induction and continuing professional development of directors on boards of directors.^[3]
 - e) Explain the meanings of 'diversity' and critically evaluate issues of diversity on boards of directors.^[3]
 - f) Assess the importance, roles purposes and accountabilities of the main committees within the effective governance.^[3]
 - g) Describe and assess the general principles of remunerating directors and how to modify directors' behaviour to align with stakeholder interests.^[3]
 - h) Explain and analyse the regulatory, strategic and labour market issues associated with determining directors' remuneration.^[3]

6. Public sector governance

- a) Compare and contrast public sector, private sector, charitable status and non-governmental (NGO and quasi-NGOs) forms of organisation, including agency relationships, stakeholders' aims and objectives and performance criteria.^[2]
- b) Assess and evaluate the strategic objectives, leadership and governance arrangements specific to public sector organisations as contrasted with private sector.^[3]
- c) Explain democratic control, political influence and policy implementation in public sector organisations.^[3]
- d) Discuss obligations of the public sector organisations to meet the economy, effectiveness, efficiency (3 'E's) criteria and promote public value.^[3]

C Strategy

1. Concepts of strategy

- a) Recognise the fundamental nature of strategy and strategic decisions within different organisational contexts.^[2]
- b) Explore the Johnson, Scholes and Whittington model for defining elements of strategic management – the strategic position, strategic choices and strategy into action.^[3]

2. Environmental issues

- a) Assess the macro-environment of an organisation using PESTEL.^[3]
- b) Assess the implications of strategic drift.^[3]

- c) Evaluate the external key drivers of change likely to affect the structure of a sector or market.^[3]
- d) Explore, using Porter's Diamond, the influence of national competitiveness on the strategic position of an organisation.^[3]
- e) Prepare scenarios reflecting different assumptions about the future environment of an organisation.^[3]

3. Competitive forces

- a) Evaluate the sources of competition in an industry or sector using Porter's five forces framework.^[3]
- b) Analyse customers and markets including market segmentation.^[2]
- c) Apply Porter's value chain to assist organisations to identify value adding activities in order to create and sustain competitive advantage.^[2]
- d) Advise on the role and influence of value networks.^[3]
- e) Evaluate the opportunities and threats posed by the environment of an organisation.^[2]

4. The internal resources, capabilities and competences of an organisation

- a) Identify and evaluate an organisation's strategic capability, threshold resources, threshold competences, unique resources and core competences.^[3]
- b) Discuss the capabilities required to sustain competitive advantage.^[2]

- c) Discuss the contribution of organisational knowledge to the strategic capability of an organisation.^[2]
- d) Identify and evaluate the strengths and weaknesses of an organisation and formulate an appropriate SWOT analysis.^[2]

5. Strategic choices

- a) Assess the suitability, feasibility and acceptability of different strategic options to an organisation.^[3]
- b) Assess the opportunities and potential problems of pursuing different organisation strategies of product/market diversification from a national, multinational and global perspective.^[3]
- c) Advise on how the 7 'P's, including price-based strategies, differentiation and lock-in can help an organisation sustain its competitive advantage.^[3]
- d) Apply the Boston Consulting Group (BCG) and public sector matrix portfolio models to assist organisation in managing their organisational portfolios.^[3]
- e) Recommend generic development directions using the Ansoff matrix.^[2]
- f) Assess how internal development, mergers, acquisitions, strategic alliances and franchising can be used as different methods of pursuing a chosen strategic direction.^[3]

D Risk

1. Identification, assessment and measurement of risk

- a) Discuss the relationship between organisational strategy and risk management strategy.^[3]
- b) Develop a framework for risk management and establish risk management systems.^[2]
- c) Identify and evaluate the key risks and their impact on organisations and projects.^[3]
- d) Distinguish between strategic and operational risks.^[2]
- e) Assess attitudes towards risk and risk appetite and how this can affect risk policy.^[2]
- f) Discuss the dynamic nature of risk and the ways in which risk varies in relation to the size, structure and development of an organisation
- g) Recognise and analyse the sector or industry specific nature of many organisation risks.^[2]
- h) Assess the severity and probability of risk events using suitable models.^[2]
- i) Explain and assess the ALARP (as low as reasonably practicable) principle in risk assessment and how this relates to severity and probability.^[3]
- j) Explain and evaluate the concepts of related and correlated risk factors.^[3]

2. Managing, monitoring and mitigating risk

- a) Explain and assess the role of a risk manager
- b) Evaluate a risk register and use heat maps when identifying or monitoring risk.^[3]
- c) Describe and evaluate the concept of embedding risk in an organisation's culture and values.^[3]
- d) Explain and analyse the concepts of spreading and diversifying risk and when this would be appropriate.^[2]
- e) Explain, and assess the importance of, risk transfer, avoidance, reduction and acceptance (TARA).^[3]
- f) Explain and assess the benefits of incurring or accepting some risk as part of competitively managing an organisation organisation.^[3]

E Technology and data analytics

1. Cloud and mobile technology

- a) Discuss from a strategic perspective the need to explore opportunities for adopting new technologies such as cloud and mobile technology within an organisation.^[3]
- b) Discuss key benefits and risks of cloud and mobile computing.^[2]
- c) Assess and advise on using the cloud as an alternative to owned hardware and software technology to support organisation information system needs.^[3]

2. Big data and data analytics

- a) Discuss how information technology and data analysis can effectively be used to inform and implement organisation strategy.^[3]
- b) Describe big data and discuss the opportunities and threats big data presents to organisations.^[2]
- c) Identify and analyse relevant data for decisions about new product developments, marketing and pricing.^[3]

3. E- business: value chain

- a) Discuss and evaluate the main organisation and market models for delivering e-business.^[3]
- b) Assess and advise on the potential application of information technology to support e- business.^[3]
- c) Explore the characteristics of the media of e-marketing using the 6 'I's of Interactivity, Intelligence, Individualisation, Integration, Industry structure and Independence of location.^[2]
- d) Assess the importance of on-line branding in e-marketing and compare it with traditional branding.^[2]
- e) Explore different methods of acquiring and managing suppliers and customers through exploiting e-business technologies.^[2]

4. IT systems security and control

- a) Discuss from a strategic perspective the continuing need for effective information systems control within an organisation.^[3]

- b) Assess and advise on the adequacy of information technology and systems security controls for an organisation.^[3]
- c) Evaluate and recommend ways to promote cyber security.^[3]
- d) Evaluate, and if necessary, recommend improvements or changes to controls over the safeguard of information technology assets, to ensure the organisation's ability to meet business objectives.^[3]

F Organisational control and audit

1. Management and internal control systems

- a) Evaluate the key components or features of effective internal control systems.^[3]
- b) Assess the need for adequate information flows to management for the purposes of the management of internal control and risk.^[3]
- c) Evaluate the effectiveness and potential weaknesses of internal control systems.^[3]
- d) Discuss and advise on the importance of sound internal control and compliance with legal and regulatory requirements and the consequences to an organisation of poor control and non-compliance.^[2]
- e) Recommend new internal control systems or changes to the components of existing systems to help prevent fraud, error or waste.^[2]

2. Audit and compliance

- a) Examine the need for an internal audit function in the light of regulatory and organisational requirements.^[3]
- b) Justify the importance of auditor independence in all client-auditor situations (including internal audit) and the role of internal audit in compliance.^[3]
- c) Respond credibly to requests and enquiries from internal or external auditors.^[3]
- d) Justify the importance of having an effective internal audit committee overseeing the internal audit function.^[2]
- e) Assess the appropriate responses to auditors' recommendations.^[3]

3. Internal control and management reporting

- a) Justify the need for reports on internal controls to shareholders.^[3]
- b) Discuss the typical contents of a report on internal control and audit.^[2]
- c) Assess how internal controls underpin and provide information for reliable financial reporting.^[3]

G Finance in planning and decision-making

1. Finance function

- a) Explain the relationship between an organisation's financial objectives and its business strategy.^[2]
- b) Discuss how advances in information technology has

transformed the finance function and the role of the finance professional.^[2]

- c) Evaluate alternative structures for the finance function using business partnering, outsourcing and shared or global business services.^[3]

2. Financial analysis and decision-making techniques

- a) Determine the overall investment requirements of the organisation.^[2]
- b) Assess the suitability, feasibility and acceptability of alternative sources of short and long term finance available to the organisation to support strategy and operations.^[3]
- c) Review and justify on decisions to select or abandon competing investments or projects applying suitable investment appraisal techniques.^[3]
- d) Justify strategic and operational decisions taking into account risk and uncertainty.^[3]
- e) Assess the broad financial reporting and tax implications of taking alternative strategic or investment decisions.^[2]
- f) Assess organisation performance and position using appropriate performance management techniques, key performance indicators (KPIs) and ratios.^[3]

3. Cost and management accounting

- a) Discuss from a strategic perspective, the continuing need for effective cost management and control systems within organisations.^[3]

- b) Evaluate methods of forecasting, budgeting, standard costing and variance analysis in support of strategic planning and decision making.^[3]
- c) Evaluate strategic options using marginal and relevant costing techniques.^[3]

H Innovation, performance excellence and change management

1. Enabling success: organising

- a) Advise on how an organisation structure and internal relationships can be re-organised to deliver a selected strategy.^[3]
- b) Advise on the implications of collaborative working, organisation process outsourcing, shared services and global business services.^[3]

2. Enabling success: disruptive technology

- a) Identify and assess the potential impact of disruptive technologies such as Fintech.^[3]
- b) Assess the impact of new product, process, and service developments and innovation in supporting organisation strategy.^[2]

3. Enabling success: talent management

- a) Discuss how talent management can contribute to supporting organisation strategy.^[3]
- b) Assess the value of the four view (POPIT – people, organisation,

processes and information technology) model to the successful implementation of organisation change.^[3]

4. Enabling success: performance excellence

- a) Apply the Baldrige model for world class organisations to achieve and maintain business performance excellence.^[3]
- b) Assess and advise on how an organisation can be empowered to reach its strategic goals, improve its results and be more competitive.^[3]

5. Managing strategic change

- a) Apply Explore different types of strategic change and their implications.^[2]
- b) Analyse the culture of an organisation using Balogun and Hope Hailey's contextual features.^[3]
- c) Manage change in the organisation using Lewin's three stage model.^[2]

6. Managing Innovation and change management

- a) Evaluate the effectiveness of current organisational processes.^[3]
- b) Establish an appropriate scope and focus for organisation process change using Harmon's process-strategy matrix.^[3]
- c) Establish possible redesign options for improving the current processes of an organisation.^[2]
- d) Assess the feasibility of possible redesign options.^[3]

- e) Recommend an organisation process redesign methodology for an organisation.^[2]

7. Leading and managing projects

- a) Determine the distinguishing features of projects and the constraints they operate in.^[2]
- b) Discuss the implications of the triple constraint of scope, time and cost.^[2]
- c) Prepare a business case document and project initiation document.^[2]
- d) Analyse, assess and classify the costs and benefits of a project investment.^[3]
- e) Establish the role and responsibilities of the project manager and the project sponsor.^[2]
- f) Assess the importance of developing a project plan and its key elements.^[3]
- g) Monitor and formulate responses for dealing with project risks, issues, slippage and changes.^[2]
- h) Discuss the benefits of a post-implementation and a post-project review.^[2]

I Professional skills

1. Communication

- a) **Inform** concisely, objectively, and unambiguously, while being sensitive to cultural differences, using appropriate media and technology.^[3]
- b) **Persuade** using compelling and logical arguments demonstrating the

ability to counter argue when appropriate.^[3]

- c) **Clarify** and simplify complex issues to convey relevant information in a way that adopts an appropriate tone and is easily understood by the intended audience.^[3]

2. Commercial acumen

- a) **Demonstrate awareness** of organisational and wider external factors affecting the work of an individual or a team in contributing to the wider organisational objectives.^[3]
- b) **Use judgement** to identify key issues in determining how to address or resolve problems and in proposing and recommending the solutions to be implemented.^[3]
- c) **Show insight** and perception in understanding work-related and organisational issues, including the management of conflict, demonstrating acumen in arriving at appropriate solutions or outcomes.^[3]

3. Analysis

- a) **Investigate** relevant information from a wide range of sources, using a variety of analytical techniques to establish the reasons and causes of problems, or to identify opportunities or solutions.^[3]
- b) **Enquire** of individuals or analyse appropriate data sources to obtain suitable evidence to corroborate or dispute existing beliefs or opinion and come to appropriate conclusions.^[3]
- c) **Consider** information, evidence and findings carefully, reflecting on their implications and how they can be

used in the interests of the department and wider organisational goals.^[3]

4. Scepticism

- a) **Probe** deeply into the underlying reasons for issues and problems, beyond what is immediately apparent from the usual sources and opinions available.^[3]
- b) **Question** facts, opinions and assertions, by seeking justifications and obtaining sufficient evidence for their support and acceptance.^[3]
- c) **Challenge** information presented or decisions made, where this is clearly justified, in a professional and courteous manner; in the wider professional, ethical, organisational, or public interest.^[3]

5. Evaluation

- a) **Assess** and use professional judgement when considering organisational issues, problems or when making decisions; taking into account the implications of such decisions on the organisation and those affected.^[3]
- b) **Estimate** trends or make reasoned forecasts of the implications of external and internal factors on the organisation, or of the outcomes of decisions available to the organisation.^[3]
- c) **Appraise** facts, opinions and findings objectively, with a view to balancing the costs, risks, benefits and opportunities, before making or recommending solutions or decisions.^[3]